

**cello**<sup>®</sup>



**Wim *Plast* Ltd.**

**23<sup>rd</sup> Annual Report 2010-11**



# Chairman's Message...



**Dear Members,**

It gives me great pleasure to invite you all to the 23<sup>rd</sup> Annual General Meeting of the Company. It is a privileged event for me to report a very satisfying journey of our Company with the most promising performance for the fiscal year 2010-11. I am glad to have this opportunity to share with you the inspired endeavors and strategic expansion plans of our Company.

The fiscal year 2010-11 was a much competitive year for Plastic Industry when there were frequent fluctuations in the prices of Raw Materials with overall rise in the price trends. During the year there was considerable increase of small regional market players in the Industry. In spite of these the industrial players have shown consistent performances. The use of plastic products had shown increasing trends amongst the households and industrial users which creates further opportunities for the plastic industry.

During the fiscal year 2010-11 we have reached noteworthy results both for our Top Lines ₹ 179.76 crore and Bottom Lines ₹ 18.19 crore and the Board of Directors have recommended Final Dividend of ₹ 4.50 (45%) per share against the dividend of ₹ 4.00 (40%) per share for previous year, also the Company has retained its 'Debt Free' standing. During the year under review we have introduced varieties of range of products of Plastic Moulded Furniture with the series of Premium Range of products and developed new applications of Cello Bubble Guard Sheets for Households as well as the Industrial users. The products got constructive consumer response and we have realized the deserving rewards for our 'cello' branded products in the Industry.

In our drive towards the strategic expansions, we have setup the manufacturing unit of Plastic Moulded Furniture at Gummidipoondi, Tamilnadu and commercial production has started from April, 2011. Also we have more Expansion Projects in pipe line for tapping of the untapped regions to enlarge our geographic footprint in various parts of the country and would serve the mass segment of customers along with the added range of products to gratify the needs of our customers.

Going ahead we endeavor to continue ourselves as one of the leading brand player of the industry with the optimistic outlook for our future expansion strategies and the endless efforts for the wealth maximization of our Investors.

Lastly I, always wish to thank my colleague Board Members, our Associates, Stakeholders, Employees and Government Authorities for extending their continuous support and patronage towards the Company and desire their long lasting support for the years to come for augmenting the growth of our Company.

With Best Regards,

Ghisulal Rathod  
Chairman

# WIM PLAST LIMITED

## BOARD OF DIRECTORS

Ghisulal D. Rathod (Chairman)  
Pradeep G. Rathod (Managing Director)  
Pankaj G. Rathod  
Fatechand M. Shah  
Harilal L. Boolani  
S.M. Khinvesra  
Mahendra F. Sundesha  
Mahendra N. Patel

## COMMITTEES OF BOARD

### AUDIT COMMITTEE

S.M. Khinvesra (Chairman)  
Pradeep G. Rathod  
Harilal L. Boolani  
Mahendra F. Sundesha

### SHAREHOLDERS' / INVESTORS'

### GRIEVANCE COMMITTEE

Harilal L. Boolani (Chairman)  
Ghisulal D. Rathod  
Pradeep G. Rathod

### REMUNERATION COMMITTEE

Harilal L. Boolani (Chairman)  
Ghisulal D. Rathod  
S.M. Khinvesra  
Mahendra F. Sundesha

### CHIEF FINANCIAL OFFICER

Madhusudan R. Jangid

### COMPANY SECRETARY

Kapil D. Joshi

### STATUTORY AUDITORS

M/s Bharat P. Shah & Co.  
Chartered Accountants, Mumbai

### CHIEF INTERNAL AUDITORS

M/s Jeswani & Rathore  
Chartered Accountants, Mumbai

### CORPORATE GOVERNANCE

HS Associates, Company Secretaries  
Mumbai

### INVESTOR QUERIES

investorgrievances@celloworld.net

### WEBSITE

www.cellowimplast.com

### BANKERS

IDBI Bank, Citi Bank N.A, HDFC Bank,  
ABN Amro, Dena Bank, State Bank of India

### CORPORATE OFFICE

8, Vakil Industrial Estate, Walbhat Road,  
Goregaon (East) Mumbai – 400 063.  
Tel.(022)26864630,Fax (022)26863681  
email id – wimplast@celloworld.net

## REGISTERED OFFICE

S. No. 324/ 4 to 7, Village Kachigam,  
Swami Narayan Gurukul Road, Nani Daman, Daman – 396210  
Tel. (0260)2242415, Fax (0260) 2241922  
email id – daman@cellobubbleguard.com

## PLANT LOCATIONS

**DAMAN** - S. No. 324/ 4 to 7, Village Kachigam,  
Swami Narayan Gurukul Road, Nani Daman, Daman – 396210  
Tel. (0260)2242415, Fax (0260) 2241922

**DAMAN** - S. No. 327/ 1 to 4 & 7A Village Kachigam,  
Nani Daman, Daman – 396210.  
Tel. (0260)2242415, Fax (0260) 2241922

**BADDI** - Khasara No. 502/ 531 – 534, Village  
Akkanwali, Baddi, Dist. Solan, H.P. 173205  
Tel (01795) 321295, Fax (01795) 274169

**CHENNAI** - A-13, E/S1, Sipcot Industrial Complex,  
Gummidiponndi – 601201, Chennai, Tamil Nadu.

## COMPANY DEPOTS

**JODHPUR** – Khasra No. 358/359,  
Jodhpur Pali Highway, Kakani,  
Jodhpur – 342 001. Tel. 09352351692.

**PUNJAB**– Hadbast No. 234, Opp.  
Swami Vivekanand School, Godown  
Area, Village Prabhat, N.A.C. Zirakpur,  
Tehsil Derabassi, Dist. Mohali – 140603  
Tel. (01762)287036, 09316844773.

**HYDERABAD** – B-Block, Central  
Warehousing Corporation,  
Delhi Public High School Lane,  
Nucharam, Hyderabad – 500001.  
Tel. 09391338409

**HARYANA** – 198-199 Markanda Complex,  
Sena Nagar, Ambala City, Haryana - 134003

**VAPI** – Shop No. 5, Plot No. 10, Sr. No.  
486, Chala Vapi – 396191.  
Tel. 09377283459

## REGISTRAR AND TRANSFER AGENTS

Link Intime India Private Limited  
C -13, Pannalal Silk Mills Compound, L. B. Shastri Marg,  
Bhandup (W), Mumbai - 400 078.  
Tel (022) 25963838, Fax (022) 25946969  
email id – [mumbai@linkintime.co.in](mailto:mumbai@linkintime.co.in)

## 23<sup>rd</sup> ANNUAL GENERAL MEETING

Saturday, 20<sup>th</sup> August, 2011 at 12.30 p.m.  
at S.No. 324 / 4 to 7, Swaminarayan Gurukul Road,  
Village Kachigam, Nani Daman, Daman – 396210.

## BOOK CLOSURE DATES & DIVIDEND

Monday 8<sup>th</sup> August, 2011 to Saturday 20<sup>th</sup> August, 2011  
(both the days inclusive)

**Proposed Dividend- ₹ 4.50 per share i.e. 45%**  
**(p.y. ₹ 4.00 per share i.e. 40%)**

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# NOTICE

Notice is hereby given that the 23<sup>rd</sup> **Annual General Meeting** of members of **WIM PLAST LIMITED** will be held on Saturday, 20<sup>th</sup> August, 2011, at the Registered Office of the Company situated at S. No. 324/4 to 7, Swami Narayan Gurukul Road, Village Kachigam, Nani Daman, Daman – 396210, at 12.30 pm to transact the following business:

## ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2011, Profit & Loss Account for the year ended on that date and the reports of the Auditors and Directors thereon.
2. To consider declaration of dividend on equity shares for the financial year ended on 31<sup>st</sup> March, 2011.
3. To appoint Director in place of Mr. Pankaj G. Rathod who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Director in place of Mr. S.M. Khinvesra who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Director in place of Mr. Mahendra F. Sundesha who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint Auditors and to authorize the Board of Directors to fix their remuneration.

## NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND & VOTE ON POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM, IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. The Register of Members of the Company will be closed from **(Monday, 8<sup>th</sup> August, 2011 to Saturday, 20<sup>th</sup> August, 2011)** (both days inclusive).
3. The Dividend, if declared, will be paid to those shareholders, whose name stands in the Register of Members on **(Monday, 8<sup>th</sup> August, 2011)**. The dividend in respect of shares held in the electronic form will be paid to the beneficial owners of shares for this purpose as on **(Monday, 8<sup>th</sup> August, 2011)**. The dividend will be paid on and from **(Wednesday, 24<sup>th</sup> August, 2011)**
4. Pursuant to the provision of section 205A (5) of the Companies Act, 1956, dividend for the financial year ended 2003- 04 and thereafter, which remain unclaimed for a period of 7 years will be transferred by the Company to the **Investor Education and Protection Fund** established by the Central Government pursuant to section 205C of the Companies Act, 1956.

Information in respect of such unclaimed dividend when due for transfer to the said Fund is given below:-

Financial Year	Date of declaration of Dividend	Last date for claiming unpaid Dividend	Due date for transfer to I.E. & P. Fund
2003-04	07/08/2004	06/08/2011	05/09/2011
2004-05	19/08/2005	18/08/2012	17/09/2012
2005-06	09/09/2006	08/09/2013	08/10/2013
2006-07	01/09/2007	31/08/2014	30/09/2014
2007-08	20/09/2008	19/09/2015	19/10/2015
2008-09	12/09/2009	11/09/2016	11/10/2016
2009-10	18/09/2010	17/09/2017	17/10/2017

Shareholders who have not so far encashed their dividend warrant(s) for the financial year ended March 31, 2004 or any subsequent financial years are requested to make their claim to the office of the Registrar and Transfer Agents, Link Intime India Private Limited. Shareholders are requested to note that no claims shall lie against the Company and against the said fund in respect of any amounts remained unclaimed for a period of seven years from the dates that they first became due for payment.

5. Members who hold Shares in physical mode are requested to immediately notify the change of address, if any, and also **the members are requested to intimate their Email Id for delivery of Annual Reports, Notices and other documents through electronic mode to the Registrar and Transfer Agents, Link Intime India Pvt. Ltd. and can also send confirmation on mail id - wimplastgogreen@linkintime.co.in.**
6. For transfer of shares held in Physical mode the transferee should submit along with the transfer documents copy of PAN Card for registration of transfer request.
7. Members / Proxies should bring the Entrance Pass duly filled in for attending the meeting.

## NOTICE

1. Members desiring any information as regards the Accounts are requested to write to the Chief Financial Officer at the Corporate Office of the Company at least 15 days before the date of the meeting, so as to enable the management to keep the information ready.
  2. Members are requested to bring the Annual Report copy at the time of attending the Annual General Meeting.
  3. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- 8.** In order to provide protection against fraudulent encashment of the dividend warrants, shareholders holding shares in physical form are requested to intimate to the Registrar and Transfer Agents of the Company, Link Intime India Private Limited under the signature of the sole/first joint holder, the following informations to be incorporated on the Dividend Warrants:
1. Name of the Sole/First joint holder and the folio number.
  2. Particulars of Bank Account, Viz:
    - a. Name of the Bank.
    - b. Name of Branch.
    - c. Complete address of the Bank with Pin Code Number.
    - d. Account Type, whether Savings (SB) or Current Account (CA).
    - e. Bank Account number.
- 9.** Shareholders holding shares in electronic form may kindly note that their Bank Account details as furnished by their Depositories to the Company will be printed on their Dividend Warrants as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such shareholders for change in such Bank details. Further, instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in the electronic mode. Shareholders who wish to change such Bank Account details are therefore requested to advise their Depository Participants about such change, with complete details of Bank Account.
- 10.** Non-Resident Indian Shareholders are requested to inform to the Registrar and Transfer Agents of the Company, Link Intime India Private Limited the following details:
1. The change in the Residential status on return to India for permanent settlement.
  2. The particulars of the Bank Account maintained in India with complete name, branch, and account type, account number and address of the Bank, if not furnished earlier.
- 11.** Corporate Members intending to send their authorized representative(s) are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote at the 23<sup>rd</sup> Annual General Meeting.
- 12.** Consequent upon the introduction of Section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form 2B (which will be made available on request) to the Registrar and Transfer Agents M/s. Link Intime India Private Limited.
- 13.** For this 23<sup>rd</sup> Annual General Meeting the Company has not opted for Video Conferencing Facility.
- 14.** Details of Directors seeking appointment or re-appointment at the 23<sup>rd</sup> Annual General Meeting.(pursuant to clause 49IV(G)(i) of the Listing Agreement with Stock Exchanges are as under :
- Mr. Pankaj G. Rathod** (44 yrs), is Non Executive Director of the Company. He is Managing Director of 'cello' Pen Division and availed himself with immense knowledge of manufacturing process and have more than 20 yrs of experience of plastic industry. He is Director in Cello Infrastructure Limited. His shareholding in Wim Plast Limited is 595000 Shares (9.91%)
- Mr. Mahendra F. Sundesha** (57 yrs), is Non Executive Independent Director of the Company and also member of the Audit Committee and Remuneration Committee of the Company. He is Member of 'Fulchand Export' Group and acquainted himself with more than 30 yrs of experience in commerce and trading. He didn't hold any shares of Wim Plast Ltd.
- Mr. S.M. Khinvesra** (69 yrs), is Non Executive Independent Director of the Company. He is member of Remuneration Committee and he is Chairman of the Audit Committee of the Company. He is senior most partner of M/s Chhajed & Doshi, Chartered Accountants, Mumbai and have more than 40 yrs of experience in the field of Accounts and Taxation. He holds 200 shares (0.003%) in Wim Plast Ltd.

## NOTICE

15. The Board has revised the terms of remuneration of Managing Director Mr. Pradeep G. Rathod at the Board Meeting held on Friday, 27<sup>th</sup> May, 2011, the details of which are hereunder:

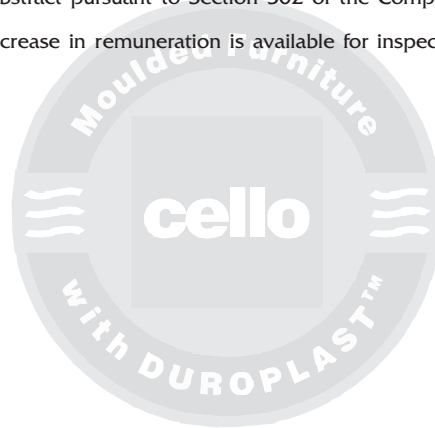
The Managing Director Mr. Pradeep G. Rathod was re-appointed for the period of 5 yrs from 29<sup>th</sup> June, 2009 for Gross Remuneration of ₹ 6.00 lacs p.a. the Board has approved increase in remuneration from ₹ 6.00 lacs p.a. to ₹ 15.00 lacs p.a. applicable w.e.f. 1<sup>st</sup> July, 2011 for the remaining tenure of his office of Managing Director.

None of the Directors of the Company, except Mr. Pradeep G. Rathod, Mr. Pankaj G. Rathod and Mr. Ghisulal D. Rathod are concerned or interested in this increase in remuneration.

The increase in remuneration is within the limits prescribed by Schedule XIII of the Companies Act, 1956. These terms of revision of remuneration are considered as an abstract pursuant to Section 302 of the Companies Act, 1956.

The Board Resolution for approval of increase in remuneration is available for inspection at the Registered Office of the Company.

27<sup>th</sup> May, 2011  
Mumbai



**By order of the Board  
For Wim Plast Limited**

**Kapil D. Joshi  
Company Secretary**



# DIRECTORS' REPORT

To,

The Members of **Wim Plast Ltd.**,

Your Directors have pleasure in presenting the 23<sup>rd</sup> Annual Report together with the Audited Statement of Accounts for the financial year ended on 31<sup>st</sup> March, 2011.

## 1. FINANCIAL RESULTS:

(₹ In Lacs)

Particulars	F.Y. Ended March 31, 2011 (A)	F.Y. Ended March 31, 2010 (B)
Sales/Income from Operations	17976.31	14202.22
Other Income	148.51	38.60
Profit Before Tax	2622.91	2253.97
Profit After Tax & Adjustments of Taxation of earlier years	1824.96	1701.19
Add : Profit for earlier years	3905.57	2655.33
<b>Profit Available for Appropriations</b>	<b>5730.53</b>	<b>4356.51</b>
Less: Transfer / Appropriations:		
Transfer to General Reserves	183.00	171.00
Proposed Dividend	270.07	240.06
Corporate Dividend Tax	44.86	39.87
<b>Surplus Carried to Balance Sheet</b>	<b>5232.60</b>	<b>3905.57</b>

## 2. OPERATIONS:

The Company has reported one of the exciting financials of the year 2010-11 where the turnover increased from ₹ 14202.22 Lacs for the f.y. 2009-10 to ₹ 17976.31 Lacs for the f.y. 2010-11 with growth by 26.57%. Also the Profit After Tax was increased by 7.28% i.e. Profit After Tax of ₹ 1824.96 Lacs for the f.y. 2010-11 as compared to Profit After Tax of ₹ 1701.19 Lacs for f.y. 2009-10.

During the year the Company has initiated Expansion Plans in the same line of business to widen its distribution network with reach to mass customers. The Company has launched number of series of premium range of products of Plastic Moulded Furniture and varieties of applications for Cello Bubbleguard Sheets.

## 3. CAPITAL EXPENDITURE:

During the year the Company has purchased Capital Assets worth ₹ 544.60 Lacs and Capital Assets worth ₹ 190.26 Lacs were sold. Also as on 31<sup>st</sup> March, 2011 the total amount of Advances for Capital Assets was of ₹ 341.08 Lacs. All these assets are kept in goods conditions and are adequately insured.

## 4. EXPANSION PROJECTS:

In the era of growth the Company has acquired manufacturing unit of Plastic Moulded Furniture at Gummidipoondi, Tamilnadu and the Commercial Production of the Unit was started from April, 2011. The Company has received approval of allotment of Land of approx 2 acres from WBIDC, for setting up of manufacturing unit at Rishi Bankim Shilpaudyan, Parganas, Kolkata.

Going ahead we have more expansion strategies in pipe line with expansion in the same line of business for catering the untapped regions of the Country.

## 5. DIVIDEND:

The Company has retained its policy of regular payment of Dividend and the Board has pleased to recommend Final Dividend of ₹ 4.50 (45%) per share for the f.y. 2010-11 against Final Dividend of ₹ 4.00 (40%) for the f.y. 2009-10. The Dividend will be paid subject to the approval of members at ensuing 23<sup>rd</sup> Annual General Meeting of the Company. The Board has not declared any Interim Dividend during the F. Y. 2010-2011.

## 6. TRANSFER TO GENERAL RESERVE:

The company has proposed for transfer ₹ 183.00 lacs to General Reserve (p.y. ₹ 171.00 lacs ) and with this the total amount standing in General Reserve Account as on 31<sup>st</sup> March, 2011 comes to ₹ 1917.80 lacs (p.y. ₹ 1734.80 lacs).

## 7. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF):



# DIRECTORS' REPORT

During the year under review the Company has transferred ₹ 1.98 lacs to Investor Education and Protection Fund (IEPF) pursuant to Section 205C of Companies Act, 1956 being the amount of Unpaid Dividend for the financial year 2002-03.

## 8. PARTICULARS OF EMPLOYEES:

The personnel relations in the Company continued to be cordial and peaceful. During the financial year the company did not have any employee who was drawing remuneration required to be disclosed as per section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 including any amendments thereto.

## 9. INDUSTRIAL RELATIONS:

The Industrial Relations of the Company continued to be peaceful and cordial.

## 10. SUBSIDIARY COMPANY:

The Company does not have any subsidiary Company.

## 11. FIXED DEPOSITS:

The Company has not accepted Fixed Deposits covered under Section 58A of the Companies Act, 1956.

## 12. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE:

The information in accordance with the provisions of section 217(1)(e) of the Companies Act, 1956, read with companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earning and outgo are given in the **Annexure-I** forming part of this report.

## 13. DIRECTORS:

During the f.y. 2010-11 Mr. Pankaj G. Rathod and Mr. Mahendra F. Sundesha were appointed as an Additional Directors of the Company w.e.f. 27<sup>th</sup> May, 2010 and Mr. Mahendra N. Patel was appointed as an Additional Director of the Company w.e.f. 27<sup>th</sup> July, 2010. Director Mr. Gulabchand P. Jain has resigned from Directorship w.e.f. 30<sup>th</sup> June, 2010. Pursuant to Article 124 of the Articles of Association of the Company Directors Mr. Pankaj G. Rathod, Mr. S.M. Khinvesra and Mr. Mahendra F. Sundesha are liable to retire by rotation and being eligible offers themselves for re-appointment at the ensuing 23<sup>rd</sup> Annual General Meeting of the Company.

## 14. CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS STATEMENT:

The Report on Corporate Governance and Management Discussion and Analysis are annexed to this report as part of **Annexure-II**.

## 15. CERTIFICATE ON CORPORATE GOVERNANCE:

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, certificate received from M/s HS Associates, Company Secretaries, confirming compliance, is attached herewith.

## 16. CEO / CFO CERTIFICATION:

Certificate of CEO / CFO of the Company on financial statements, Cash Flow for the financial year 2010-11 and certificate of CEO i.e. Managing Director of the Company for compliance with Code of Conduct by Board members and Senior Management personnel on an annual basis are attached herewith.

## 17. AUDITORS:

M/s. Bharat P. Shah & Co. Chartered Accountants, Mumbai (FRN 109517W) being the Statutory Auditors of the Company hold office until the conclusion of the forthcoming 23<sup>rd</sup> Annual General Meeting of the Company and is eligible for re-appointment. It is proposed by the Board to re-appoint M/s Bharat P. Shah & Co., Chartered Accountants as Statutory Auditors of the Company for Audit of f.y. 2011-12. The Company has received certificate from the Statutory Auditors to the effect that their appointment, if made, would be within the limits prescribed under section 224(1B) of the Companies Act, 1956.

## 18. AUDITORS' REPORT:

The Auditors' Report to the shareholders did not contain any adverse or qualification remarks.

## 19. COMMITTEES OF BOARD:

Board has constituted Committees pursuant to provisions of Companies Act, 1956 and Listing Agreement with Stock Exchanges. Following Committees are constituted by the Board.

Audit Committee, Shareholders' / Investors' Grievance Committee and Remuneration Committee. The composition and other details with respect to Committees are explained under part **Annexure-II** i.e. details under clause 49 of Listing Agreement with Stock Exchanges.



# DIRECTORS' REPORT

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## 20. TRADING DEPOTS OF THE COMPANY:

The Company has its Trading Depots at Jodhpur, Punjab, Haryana, Vapi and Hyderabad.

## 21. DIRECTORS' RESPONSIBILITY STATEMENT:

As required under section 217(2AA) of the Companies Act, 1956 it is hereby confirm that:

- (a) in the preparation of the annual accounts, the applicable Accounting Standards have been followed, along with proper explanation relating to material departures;
- (b) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2011 and of the profit of the Company for the year ended on that date;
- (c) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities,
- (d) that the directors had prepared the annual accounts on a "going concern" basis.

## 22. ACKNOWLEDGEMENTS:

Your Directors take this opportunity to express their grateful appreciation and thanks for the excellent assistance and co-operation received from all the stakeholders, various authorities and employees of the company.

**For and on behalf of the Board**

**27<sup>th</sup> May, 2011  
Mumbai**

**Ghisulal D. Rathod  
(Chairman)**



# ANNEXURE-I TO DIRECTORS' REPORT

Additional information pursuant to the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

## CONSERVATION OF ENERGY

The Company has adequate system of energy conservation with the requisite equipment and installations to conserve the energy resources with continuous improvements in the production process. The requirement of disclosure under Form A i.e. in respect of conservation of energy is not applicable to the Company.

## TECHNOLOGY ABSORPTION

### Research and Developments (R&D):

The Company has implemented systems of Research to serve the developments with the introduction of new products and installations of new Machines, Moulds and adoption of innovated production technology.

Also with the improved Machineries and Production process the Company has gained optimum Input / Output ratios with mitigation of wastages and control of cost of production. During the year the Company has not incurred substantial amount towards R & D Expenditure.

### Benefits derived by the Research & Developments :

The Company has derived several benefits by its Research and Development activities mainly of the Retention of Competitiveness, Reduction in Production Costs, Optimum utilization of resources and improvements in product quality.

### Future plan of actions:

The Company is pursuing with the future line of actions for timely upgradation of its Production Process with well equipped Machineries and latest production techniques for which adequate operational systems has been developed.

### ABOUT THE TECHNOLOGY:

We have installed Injection Moulding Technology for our Units of Plastic Moulded Furnitures and for Cello Bubbleguard Plastic Sheets the Company has installed extrusion technology of production. The production process and technology is always subject to changes and upgradation and Company has evolved the strategies to conserve and boost its Technological Resources.

### FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ in lacs)

	2010-11	2009-10
<b>(A) Foreign Exchange Earned</b>	-	-
<b>(B) Expenditure in Foreign Currency:</b>		
Import of Capital Goods	110.27	182.19
Import of Raw Materials	682.53	1379.23
Expenses for Foreign Travels	4.31	3.21
Advances paid for Capital Assets	141.55	-
Advances paid for Raw Materials	1.79	-

(The remittances for all the above outgoings were made in currency of US\$)

For and on behalf of the Board

27<sup>th</sup> May, 2011  
Mumbai

Ghisulal D. Rathod  
(Chairman)

# ANNEXURE-II TO DIRECTORS' REPORT

## CORPORATE GOVERNANCE REPORT PURSUANT TO CLAUSE – 49 OF LISTING AGREEMENT WITH STOCK EXCHANGES:

### COMPANY'S GOVERNANCE PHILOSOPHY:

The Company always wish to have a much better Code of Corporate Governance with transparency and exchange of information to the Board, Management Team and other Associates. We have optimum composition of Board and Committees with the required numbers of the Independent Directors.

### I. BOARD OF DIRECTORS:

The composition of Board consisted of total 8 (eight) Directors as on March 31, 2011. The Company has a non-executive Promoter, Chairman. Since the Chairman of the Board is from Promoter Group half of the Board should comprise of Independent Directors, accordingly the Board of Directors of the Company is constituted.

None of the Directors on the Board are a member of more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49 of Listing Agreement with Stock Exchanges), across all the Companies in which they are Director. The Directors have made necessary disclosures regarding their Committee positions.

As on 31<sup>st</sup> March, 2011 none of Directors were disqualified under Section 274(1)(g) or any other provisions of Companies Act, 1956 and all the Independent Directors are qualified to be appointed as an Independent Director pursuant to Clause – 49 of Listing Agreement with Stock Exchanges.

The details of pecuniary or other business relationship of Directors and Associated Concerns with the Company are spelt out in this Annual Report. Apart from that there are no material pecuniary transactions with the Directors of the Company.

Name & Categories of Directors along with their attendance at Board Meetings held during the f.y. 2010-11 and their attendance at the previous Annual General Meeting are as under:

Category	Name of Directors	No. of Meetings Held	No. of Meetings Attended	Attendance at AGM held on 18 <sup>th</sup> Sept, 2010.
<b>Chairman (Promoter)</b>	Ghisulal D. Rathod	4	3	Absent
<b>Managing Director (Promoter)</b>	Pradeep G. Rathod	4	4	Absent
<b>Non Executive Director (Promoters)</b>	Pankaj G. Rathod	4	3	Present
	Fatechand M. Shah	4	1	Present
<b>Non Executive Director (Independent)</b>	Harilal L. Boolani	4	4	Present
	S.M. Khinvesra	4	4	Present
	Mahendra F. Sundesha	4	2	Absent
	Mahendra N. Patel	4	-	Absent
	Gulabchand P. Jain*	4	1	N.A.

Mr. Pankaj G. Rathod and Mr. Mahendra F. Sundesha were appointed as an Additional Directors w.e.f. 27<sup>th</sup> May, 2010 Mr. Mahendra N. Patel was appointed as an Additional Directors w.e.f. 27<sup>th</sup> July, 2010 all these three Additional Directors were appointed pursuant to Section 257 of the Companies Act, 1956 as Directors of the Company liable to retire by rotation at the 22<sup>nd</sup> Annual General Meeting of the Company held on 18<sup>th</sup> September, 2010.

\*Director Mr. Gulabchand P. Jain has resigned from Directorship w.e.f. 30<sup>th</sup> June, 2010.

The Intere relationships, Shareholding, position of Committee Membership and Chairmanship of Directors as on 31<sup>st</sup> March, 2011 are as under:

Name of Directors	Inter-se Relationship amongst Directors	No. of Shares Held as on 31 <sup>st</sup> March, 2011	No. of Directorships in other Public Limited companies*		No. of Committee positions held in other Public Limited companies*	
			Chairman	Member of the Board	Chairman	Member of the Committee
Ghisulal D. Rathod	Father of Pradeep Rathod and Pankaj Rathod.	339764 (5.66%)	1	1	-	-
Pradeep G. Rathod	Son of Ghisulal Rathod & Brother of Pankaj Rathod	595000 (9.91%)	-	1	-	-
Pankaj G. Rathod	Son of Ghisulal Rathod & Brother of Pradeep Rathod	595000 (9.91%)	-	1	-	-
Fatechand M. Shah	N.A.	279600 (4.66%)	-	-	-	-
Harilal L. Boolani	N.A.	Nil	-	-	-	-
S.M. Khinvesra	N.A.	200 (0.003%)	-	-	-	-
Mahendra F. Sundesha	N.A.	Nil	-	-	-	-
Mahendra N. Patel	N.A.	Nil	-	-	-	-

\*Excludes Directorships/Chairmanship in Indian Private Limited Companies, Section 25 Companies and Foreign Companies and positions held in Proprietorship and Partnership in Firms. Positions of Chairmanship/Membership of the Audit Committee and Investors' Grievance Committee alone are considered.

# ANNEXURE-II TO DIRECTORS' REPORT

## PRESENT COMPOSITION OF THE BOARD IS AS UNDER:

Ghisulal D. Rathod (Chairman), Pradeep G. Rathod (M.D.), Pankaj G. Rathod, Fatechand M. Shah, Harilal L. Boolani, S.M. Khinvesra, Mahendra F. Sundesha and Mahendra N. Patel.

All these Directors except the Managing Director are liable to retire by rotation.

The Company doesn't have on its Board Director represented by Institutions.

## DETAILS OF BOARD MEETINGS:

4 (Four) Board Meetings were held during the year 2010-11 and the gap between two meetings did not exceed four months.

The dates on which the Board Meetings were held are as follows:

27<sup>th</sup> May 2010, 27<sup>th</sup> July 2010, 25<sup>th</sup> October 2010 and 4<sup>th</sup> February 2011.

Date of the Meetings	Total Strength of the Board	No. of Directors Presents
27 <sup>th</sup> May, 2010	6	5
27 <sup>th</sup> July, 2010	7	6
25 <sup>th</sup> October, 2010	8	4
4 <sup>th</sup> February, 2011	8	7

All the above Board Meetings were held at the Corporate Office of the Company at 8, Vakil Industrial Estate, Walbhat Road, Goregaon (East), Mumbai – 400063.

The required quorum was present at all the above Board Meetings and all the resolutions and discussions were duly approved. There was no instance of Adjournment of any of the said Meetings.

The minutes of the Audit Committee, Shareholders' / Investors' Grievance Committee and Remuneration Committee were periodically placed before the Board.

## BOARD MEETINGS PROCEDURES AND INFORMATION PLACED BEFORE THE BOARD:

The Board Meetings were conveyed after sufficient day of prior notice to all the Board Members along with detailed Agenda of the Meeting. All the reference documents in support to the Agenda of the Meeting were duly placed before the Board for their reference and perusal.

All the information pursuant to the applicable provisions of Companies Act, 1956 and pursuant to Clause 49 of Listing Agreement with Stock Exchanges were placed before the Board.

The Company has effective Post Meeting follow up mechanism to facilitate the execution of all the decisions taken by the Board and periodic reporting of the actions taken to the Board.

## II. AUDIT COMMITTEE:

The composition of Audit Committee of Board as on 31<sup>st</sup> March, 2011 comprises of 4 Directors namely Mr. S.M. Khinvesra (Chairman of Committee), Mr. Pradeep G. Rathod, Mr. Harilal L. Boolani and Mr. Mahendra F. Sundesha, out of these 4 Directors 3 Directors are the Independent Directors.

Chairman of the Audit Committee is Independent Director and was present at the 22<sup>nd</sup> Annual General Meeting held on 18<sup>th</sup> September, 2010.

The Composition of Audit Committee is in compliance with Section 292A of Companies Act, 1956 and Clause 49 of the Listing Agreement with Stock Exchanges.

Company Secretary Mr. Kapil D. Joshi acted as Secretary of the Committee Meetings.

### Powers of the Audit Committee:

- 1) To investigate any activity within its terms of reference.
- 2) To seek information from any employee.
- 3) To obtain outside legal or other professional advice.
- 4) To secure attendance of outsiders with relevant expertise, if it considers necessary.

### Terms of reference / role of the Audit Committee:

- 1) Oversight of the Company's Financial Reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- 2) Recommending to the Board, the appointment, reappointment and if required the replacement or removal of the Statutory Auditors and fixation of Audit fees.
- 3) Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- 4) Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - a) Matters required to be included in the Directors' Responsibility Statement to be included in the Directors' Report in terms of Section 217(2AA) of the Companies Act, 1956.

## ANNEXURE-II TO DIRECTORS' REPORT

- b) Changes, if any, in accounting policies and practices and reasons for the same.
  - c) Major accounting entries involving estimates based on the exercise of judgment by the management.
  - d) Significant adjustments made, if any, in the financial statements arising out of audit findings.
  - e) Compliance with the listing and other legal requirements relating to financial statements.
  - f) Disclosure of Related Party Transactions.
  - g) Review of the Draft Statutory Audit Report.
- 5) Review with the management, the quarterly financial statements before submission to the Board for approval.
  - 6) Review with the management, the performance of Statutory and Internal Auditors, adequacy of Internal Control Systems.
  - 7) Review the adequacy of Internal Audit function, if any, including the structure of the internal audit department, staffing and seniority of the officials heading the department, coverage and frequency of the Internal Audit.
  - 8) Discussion with Internal Auditors, any significant findings and follow up thereon.
  - 9) Review the findings of Internal Auditors for the area of concerns of Internal Control Systems.
  - 10) Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
  - 11) To look into the reasons for substantial defaults, if any, in payment to the depositors, debenture holders, shareholders (in case of dividend) and creditors.
  - 12) To review the functioning of the Whistle Blower Mechanism.
  - 13) To review the following information:
    - a) The management discussion and analysis of financial condition and results of operations.
    - b) Statement of significant related party transactions (as defined by the Audit Committee) submitted by management.
    - c) Management letters/letters of internal control weaknesses issued by the Statutory Auditors.
    - d) Internal Audit Reports relating to internal control weaknesses and
    - e) The appointment, removal and terms of remuneration of Internal Auditors.
  - 14) To carry out other functions as may be specifically referred by the Board or referred by legislations.

The attendance of the members of Audit Committee at the meetings held during the financial year 2010-11 is as under:

Name of Members	Category	No. of meetings held	No. of meetings attended
S.M. Khinvesra	Chairman	4	4
Harilal L. Boolani	Member	4	4
Gulabchand P. Jain*	Member	4	1
Pradeep G. Rathod	Member	4	4
Mahendra F. Sundesha*	Member	4	2

\*Mr. Mahendra F. Sundesha was appointed as member of the Committee w.e.f. 27<sup>th</sup> May, 2010 and Mr. Gulabchand P. Jain has resigned from Committee w.e.f. 30<sup>th</sup> June, 2010.

The present composition of Audit Committee is S.M. Khinvesra (Chairman), Harilal L. Boolani, Pradeep G. Rathod and Mahendra F. Sundesha.

The Company Secretary, Kapil D. Joshi acted as Secretary of Committee Meetings.

The Meetings was also attended by Invitation by following persons:

- Madhusudan Jangid - Chief Financial Officer of the Company  
 Bharat P. Shah - Proprietor of Bharat P. Shah & Co., (Statutory Auditors)  
 D.K. Rathore & K.L. Rathore - Partner of Jeswani & Rathore (Internal Auditors)

### DETAILS OF MEETINGS:

4 (Four) Audit Committee Meetings were held during the financial year 2010-11 and the gap between two meetings did not exceed four months. The dates on which the said meetings were held are as follows:

27<sup>th</sup> May 2010, 27<sup>th</sup> July 2010, 25<sup>th</sup> October 2010 and 4<sup>th</sup> February 2011.

Date of the Meetings	Total Strength of the Committee	No. of Members Presents
27 <sup>th</sup> May, 2010	4	4
27 <sup>th</sup> July, 2010	4	4
25 <sup>th</sup> October, 2010	4	3
4 <sup>th</sup> February, 2011	4	4

All the above meetings were held at the Corporate Office of the company at 8, Vakli Industrial Estate, 2<sup>nd</sup> Floor, Walbhat Road, Goregaon (East), Mumbai - 400 063.

## ANNEXURE-II TO DIRECTORS' REPORT

The necessary quorum was present at all the meetings. There was no any instance of Adjournment of any of the said Meetings. The Committee periodically reviewed Internal Controls and all other matters assigned to it and no adverse or qualifying remarks were observed by the Committee.

The minutes of the meetings of the Audit Committee were periodically placed before the Board.

### III. INVESTORS' GRIEVANCE COMMITTEE:

The Committee consists of 3 Directors i.e. Mr. Harilal L. Boolani (Chairman of Committee), Mr. Ghisulal D. Rathod and Mr. Pradeep G. Rathod. The Chairman of Committee is an Independent Director. There were no changes during the f.y. 2010-11 in composition of the Committee.

- 1) Review / Resolve Investors' queries and complaints.
- 2) Review of corporate actions, if any.
- 3) Review of documents submitted to Stock Exchanges.
- 4) Review the documents processed by Registrar and Transfer Agents.

The details of attendance of Committee Members at the meetings held during the f.y. 2010-11 are as under:

Name of Members	Category	No. of meetings held	No. of meetings attended
Harilal L. Boolani	Chairman	4	4
Ghisulal D. Rathod	Member	4	4
Pradeep G. Rathod	Member	4	4

Company Secretary, Kapil D. Joshi acted as Secretary of Committee Meetings.

The present members of Committee are Harilal Boolani (Chairman), Ghisulal D. Rathod and Pradeep G. Rathod.

#### DETAILS OF MEETINGS HELD DURING THE YEAR:

4 (Four) Audit Committee Meetings were held during the financial year 2010-11 the details of which are as under:

27<sup>th</sup> May 2010, 27<sup>th</sup> July 2010, 25<sup>th</sup> October 2010 and 4<sup>th</sup> February 2011.

Date of the Meetings	Total Strength of the Committee	No. of Members Presents
27 <sup>th</sup> May, 2010	3	3
27 <sup>th</sup> July, 2010	3	3
25 <sup>th</sup> October, 2010	3	3
4 <sup>th</sup> February, 2011	3	3

All the above meetings were held at the Corporate Office of the company at 8, Vakil Industrial Estate, Walbhat Road, Goregaon (East), Mumbai – 400 063.

The necessary quorum was present for all the meetings.

The minutes of the meetings of the Committee meetings were periodically placed before the Board.

#### CERTIFICATE PURSUANT TO CLAUSE 47(C) OF LISTING AGREEMENT WITH STOCK EXCHANGES:

The Company has obtained half yearly Certificate pursuant to Clause 47(C) of the Listing Agreement with Stock Exchanges from HS Associates, Practicing Company Secretaries, Mumbai and the same was placed before the Committee for review. The certificate didn't contain any reservation or qualification remark.

#### RECONCILIATION OF SHARE CAPITAL AUDIT REPORT PURSUANT TO REGULATION 55A OF THE SEBI (DEPOSITORIES AND PARTICIPANTS) (SECOND AMENDMENT) REGULATIONS, 2003:

The Company has obtained quarterly Report from HS Associates, Practicing Company Secretaries, Mumbai for Reconciliation of Share Capital Audit Report as per Regulation 55A of SEBI (Depositories and Participants) (Second Amendment) Regulations, 2003 and the same was periodically placed before the Committee for review. The Report didn't contain any reservation or qualification remark.

#### COMPLIANCE OFFICER OF THE COMPANY:

Mr. Kapil Dhirajlal Joshi (Company Secretary).  
Corporate Office - 8, Vakil Industrial Estate,  
2<sup>nd</sup> Floor, Walbhat Road,  
Goregaon (East), Mumbai - 400 063.  
Phone No. 022 – 26863426/27. Fax no. 022 – 26863681.  
E-mail: kapiljoshi@celloworld.net

#### DETAILS OF INVESTORS COMPLAINTS RECEIVED AND RESOLVED DURING THE YEAR 2010-11:

Nature of Complaint	Pending at the beginning of the year	Received during the year	Resolved during the year	Pending at the end of the year
Non Receipt of Share Certificates	-	3	3	-
Non Receipt of Dividend Warrants	-	8	8	-
Non Receipt of Refund Warrants	-	2	2	-
Others	-	3	3	-

## ANNEXURE-II TO DIRECTORS' REPORT

### IV. REMUNERATION COMMITTEE:

The Remuneration Committee is constituted in accordance with provisions of Schedule – XIII of Companies Act, 1956 and Clause – 49 of Listing Agreement with Stock Exchanges, comprises of 4 Non-executive Directors i.e. Mr. Harilal L. Boolani (Chairman), Mr. Ghisulal D. Rathod, Mr. S.M. Khinvesra and Mr. Mahendra F. Sundesha. The Chairman of Committee is an Independent Director.

#### THE TERMS OF REFERENCE OF THE COMMITTEE ARE AS UNDER:

To recommend to the Board, salary (including annual increments), perquisites and allowances, performance linked remuneration and commission, if any, to be paid to the company's Executive/ Whole time Director (ED/WTD)/Managing Director (MD) and to finalize the perquisites and allowances package within the overall ceiling fixed by the Board. The scope of committee consists of all the matters prescribed under provisions of Schedule – XIII of Companies Act, 1956 and Clause – 49 of Listing Agreement with Stock Exchanges.

#### DETAILS OF COMMITTEE MEETING:

During the financial year 2010-11, 1 (one) Committee meeting was held on 27<sup>th</sup> May, 2010 at the Corporate Office of the Company at 8, Vakil Industrial Estate, 2<sup>nd</sup> Floor, Walbhat Road, Goregaon (East), Mumbai – 400 063. The required quorum was present at the meeting.

Committee Member Mr. Gulabchand P. Jain has resigned w.e.f. 30<sup>th</sup> June, 2010. Mr. Mahendra F. Sundesha was appointed w.e.f. 27<sup>th</sup> May, 2010.

The present composition of the Remuneration Committee is Harilal L. Boolani (Chairman), Ghisulal D. Rathod, S.M. Khinvesra and Mahendra F. Sundesha.

Company Secretary, Kapil D. Joshi acted as Secretary of Committee Meetings.

Apart from Sitting Fees none of the Directors except Managing Director were drawing any remuneration from the Company.

Minutes of the Committee meeting were periodically placed before the Board.

The Company has only one executive Director i.e. the Managing Director of the Company and apart from the Managing Director all other Directors are non executive Directors and the Company doesn't pay any remuneration to the non executive Directors except sitting fees.

#### REMUNERATION PAID/PAYABLE TO MANAGING DIRECTOR:

The amount of remuneration paid/payable to the Managing Director, Mr. Pradeep G. Rathod for the f.y. 2010-11 is amounting to total ₹ 6,00,000/- (Rupees Six Lacs Only) Excluding Company's Contribution to Gratuity Fund. The Board of Directors in their Meeting held on 27<sup>th</sup> May, 2011 has increased the remuneration of Managing Director Mr. Pradeep G. Rathod from ₹ 6.00 Lacs p.a. to ₹ 15.00 Lacs p.a. w.e.f. 1<sup>st</sup> July, 2011.

#### Terms of appointment of Managing Director:

The Managing Director Mr. Pradeep G. Rathod was re-appointed for term of 5 yrs w.e.f. 29<sup>th</sup> June, 2009 and he is entrusted with substantial powers of management subject to the superintendence, control and direction of the Board.

#### SITTING FEES PAID TO NON-EXECUTIVE DIRECTORS:

Details of sitting fees paid to Non-Executive Directors during the financial year 2010-11 for the Board and Committee meetings are as below:

(Amt in ₹)

Name of Director	Fees for Board Meetings	Fees for Audit Committee Meetings
Harilal L. Boolani	40,000	40,000
S. M. Khinvesra	40,000	40,000
Mahendra F. Sundesha	20,000	20,000

### V. DISCLOSURES:

#### Related Party Transactions:

The details of Related Party Transactions were periodically placed before Audit Committee and Board for review and necessary consent. The Related Party Transactions entered into by the Company were at arm's length and were not prejudicial to the interest of the Company, brief of the transactions were reported in Note 14 of Notes to Accounts.

#### Accounting Treatment in preparation of Financial Statements:

In preparation of Financial Statements the Company has followed the guidelines of Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) read with the Companies (Accounting Standards) Rules, 2006 including the amendments, if any. During the year under review the Company has not changed its Accounting Policies and treatment of Accounting Standards – 30 is not given in preparation of Financial Statements.

#### Risk Management:

The Company has framed the Risk Management Policy in commensurate with its nature of activities and volume of business. Risks are mainly classified into Industry Risks, Financial Risks, Risk of Exchange Rate Fluctuations and Technological Risks. The information on Risk Management and Risk Mitigation were periodically placed before the Board.

## ANNEXURE-II TO DIRECTORS' REPORT

### Compliance Details:

There was not any instance of non-compliance related to the Capital Markets during the past 3 yrs and none of the Stock Exchange or SEBI has imposed any penalties or strictures on the Company.

The Company has complied with mandatory provisions of Corporate Governance and has framed Remuneration Policy, Whistle Blower Policy – No person has been denied access to Audit Committee.

The Company is in process of review and implementation of the other non-mandatory provisions of Corporate Governance and is in the process of implementation of the Corporate Governance Voluntary Guidelines, 2009 and Corporate Social Responsibility Voluntary Guidelines, 2009.

### VI. GENERAL BODY MEETING:

Details of previous 3 Annual General Meetings are as under:

AGM No.	Financial Year	Venue	Date of AGM	Time	Special Resolution(s)	Dividend Declared
22 <sup>nd</sup>	2009-10	S. No. 324 / 4 to 7, Village Kachigam, Nani Daman, Daman - 396210.	18 <sup>th</sup> Sept, 2010	11.00 am	N.A.	₹ 4.00 per Share (40%)
21 <sup>st</sup>	2008-09	S. No. 324 / 4 to 7, Village Kachigam, Nani Daman, Daman - 396210.	12 <sup>th</sup> Sept, 2009	11.00 am	N.A.	₹ 3.50 per Share (35%)
20 <sup>th</sup>	2007-08	S. No. 324 / 4 to 7, Village Kachigam, Nani Daman, Daman - 396210.	20 <sup>th</sup> Sept, 2008	11.00 am	N.A.	₹ 3.00 per Share (30%)

At the above Annual General Meetings necessary quorum was present. There was no request by members for voting by poll and all the business were unanimously approved by members with voting by show of hands.

There was no instance of Adjournment of any of the above Annual General Meeting.

No Extra Ordinary General Meeting of Members or Meetings of Creditors were held during last 3 yrs.

The Company has not conducted voting by Postal Ballot during last 3 yrs.

There was no instance of Court conveyed meeting during last 3 yrs.

The Company has not raised funds from public during the period of last 3 yrs.

### VII. MEANS OF COMMUNICATION:

The Financial Results were published in Economic Times (all India Edition) and Gujarat Mitra (Surat Edition) also other notices were duly published in the newspapers and intimated to Stock Exchanges form time to time.

The financial results and other required information are also made available at Company's Website [www.celloimplast.com](http://www.celloimplast.com).

The Company has replied to all the queries of Investors during the year.

There was no presentation made by the Company to any of the Institutional Investors or Analysts.

The Company has not entered into agreement with Media Companies.

### VIII. GENERAL INFORMATION:

23<sup>rd</sup> Annual General Meeting:

Day & Date : Saturday, 20<sup>th</sup> August, 2011

Time : 12.30 pm

Place : Registered Office of the Company

S. No. 324 / 4 to 7, Swami Narayan Gurukul Road, Village Kachigam, Nani Daman, Daman - 396 210.

#### Book Closure:

The Register of Members will remain closed from Monday 8<sup>th</sup> August, 2011 to Saturday 20<sup>th</sup> August, 2011 (both days inclusive). Proposed Final Dividend by Board is ₹ 4.50 (45%) per share.

#### Dividend Payment Date:

The Dividend (if approved by members) will be paid on and after Wednesday 24<sup>th</sup> August, 2011.

#### Listing of Shares and Payment of Listing Fees:

The Company has listed with following Stock Exchanges:

Bombay Stock Exchange Ltd. (BSE) - Scrip Code 526586.

Ahmedabad Stock Exchange Ltd. (ASE) - Scrip Code 67391.

The Annual Listing Fees for f.y. 2011-12 has been paid for both the Exchanges i.e. for Bombay Stock Exchange Ltd. and for Ahmedabad Stock Exchange Ltd.

#### Dematerialization of Shares and Payment of Custodial Fees:

The Company has availed connectivity for both the Depositories i.e. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) with ISIN - INE 015B01018.

As on 31<sup>st</sup> March, 2011 96.74 % of Company's Equity Share Capital were dematerialized and balance of 3.26% Equity Shares were in Physical Mode the details of which are as under :

Particulars	No. of Shares	% of Total Capital
Held in Demat form with NSDL	4711370	78.50
Held in Demat form with CDSL	1094425	18.24
Holdings in Physical Mode	195885	3.26
<b>Total</b>	<b>6001680</b>	<b>100.00</b>



## ANNEXURE-II TO DIRECTORS' REPORT

The Company has paid Annual Custodial Fees of f.y. 2011-12 for both the Depositories i.e. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

### Information on Market Rates:

The details of high/low/closing of market price of Company's shares traded on the Bombay Stock Exchange Ltd. (BSE) and performance in comparison to broad-based indices of BSE Sensex during the financial year 2010-11.

Month	Share Prices (in ₹)				BSE Sensex		
	High Price	Low Price	Close Price	No. of Shares	High	Low	Close
Apr 10	195.00	170.90	180.65	220534	18047.86	17276.80	17558.71
May 10	189.80	166.30	181.45	90413	17536.86	15960.15	16944.63
Jun 10	215.00	173.25	200.75	197457	17919.62	16318.39	17700.90
Jul 10	235.00	187.00	194.60	292243	18237.56	17395.58	17868.29
Aug 10	240.00	181.70	209.35	438578	18475.27	17819.99	17971.12
Sep 10	242.00	208.00	226.25	237647	20267.98	18027.12	20069.12
Oct 10	233.70	210.00	216.45	133874	20854.55	19768.96	20032.34
Nov 10	226.00	170.30	194.25	99772	21108.64	18954.82	19521.25
Dec 10	204.65	165.10	186.30	46454	20552.03	19074.57	20509.09
Jan 11	194.80	146.00	162.95	29003	20664.80	18038.48	18327.76
Feb 11	176.50	141.85	160.00	36236	18690.97	17295.62	17823.40
Mar 11	188.00	157.50	173.35	38253	19575.16	17792.17	19445.22

### Shareholding Pattern of the Company:

Particulars	As on 31st March, 2011			As on 31st March, 2010		
	No. of Holders	Shares held	Holding In %	No. of Holders	Shares held	Holding In %
<b>Promoters' Holdings:</b>						
Indian Promoters	29	4378824	72.96	27	4298927	71.63
Foreign Promoters	-	-	-	-	-	-
<b>Sub Total</b>	<b>29</b>	<b>4378824</b>	<b>72.96</b>	<b>27</b>	<b>4298927</b>	<b>71.63</b>
<b>Non Promoters Holdings:</b>						
Mutual Funds	1	200	0.00	1	200	0.00
Bank / Institutions	1	1000	0.02	1	1000	0.02
Corporate Bodies	101	157213	2.62	110	180134	3.00
FIs	-	-	-	-	-	-
Central / State Govt. Bodies	-	-	-	-	-	-
NRIs / OCBs	33	8558	0.14	27	7407	0.12
Clearing Members	14	6863	0.11	44	24601	0.41
Public - Others	4330	1449022	24.15	4270	1489411	24.82
<b>Sub Total</b>	<b>4480</b>	<b>1622856</b>	<b>27.04</b>	<b>4453</b>	<b>1702753</b>	<b>28.37</b>
<b>Grand Total</b>	<b>4509</b>	<b>6001680</b>	<b>100.00</b>	<b>4480</b>	<b>6001680</b>	<b>100.00</b>

### Distribution of Shareholdings as on 31st March, 2011:

Particulars	No. of Holders	% of Total	Shares Held	% of Total
1 - 500	4178	92.66	499255	8.32
501 - 1000	133	2.95	102468	1.71
1001 - 2000	73	1.62	112015	1.86
2001 - 3000	44	0.98	116995	1.95
3001 - 4000	14	0.31	47916	0.80
4001 - 5000	12	0.26	54994	0.92
5001 - 10000	10	0.22	68524	1.14
10001 and above	45	1.00	4999513	83.30
<b>Total</b>	<b>4509</b>	<b>100.00</b>	<b>6001680</b>	<b>100.00</b>

### Share Transfer System :

The shares held in electronic form are transferable through Depository Systems. Transfers of shares held in Physical Mode are processed by Registrar & Transfer Agents, Link Intime India Pvt. Ltd. on periodic basis. Also the Company offers Transfer-cum-Demat facility.

### Other Information:

During the f.y. 2010-11 there were no changes in Authorised, Issued and Subscribed Paid-up Share Capital of the Company.

As on 31<sup>st</sup> March, 2011 - none of the Promoters have pledged their shareholdings, the Company doesn't have any outstanding GDRs/ ADRs/Warrants/ESOP or any convertible instruments and the Company don't have any balance with respect to Demat Suspense Account.

The details of Plant Locations and Company Depots are given in Corporate Information section of this Report.

The investors can send correspondence directly to the Company at its Registered Office or at Corporate Office and also to the Registrar & Transfer Agents, Link Intime India Pvt. Ltd. the addresses for correspondence are given in Corporate Information section of this Report.

# ANNEXURE-II TO DIRECTORS' REPORT

## MANAGEMENT DISCUSSION AND ANALYSIS:

### INDUSTRY OVERVIEW:

The year 2010-11 was a much futuristic and competitive year for the Plastic Industry where there were steep increase in the consumption of Plastic Products by Retail and Industrial customers. With the Economic Globalization it becomes easy for the Industrial Players to share the Technology, Production Equipments and Marketing Strategies globally which has resulted into the rise in the Production Capacity and entry of new regional and global players in the Industry.

### OPPORTUNITIES AND THREATS:

The use of Plastic made products has gained rich response from the customers and in a number of items of Retail and Industrial consumption it was found that the use of Plastic made products has replaced many other products as the best substitute product. This increase in the use of Plastic Products will open many new areas for the Industry in the years to come and we expect the vertical move of Plastic Industry in the Economy.

About the opportunities of our business, there are very few market players in the Plastic Industry having popular consumer brands of the products and we are amongst the largest consumer brand leaders in the Plastic Industry i.e 'cello' branded products. With the reputed brand image, country wide distribution network, a number of range of products and with the future Expansion Projects we can reach to the demands of considerable segment of consumers throughout the country. Also our Company is Debt Free and presents the strong financials. These are the factors depicting the opportunities of our business.

The Company has its strong financials and doesn't have major obligations. Apart from the rising in competition globally, inconsistency in the Input Prices and other routine business risks, we doesn't observe any major areas of Threats to our business.

### RISKS AND CONCERNS:

The Company's business is exposed to the normal business risks of the Industry. Some of the major Risks are illustrated hereunder:

#### Risk of Exchange Rate Fluctuations

The quantum of Foreign Exchange transactions are not much significant as compared to the volume of business and hence we don't have major threat of Risk of Exchange Rate Fluctuations.

#### Financial Risks

The Company has strong financials with adequate reserves and also the Company is Debt Free. There are no major financial obligations or litigations pending against the Company. Hence our Company is exposed of the normal Financial Risks associated with business which are adequately monitored.

#### Technological Risks

The Company has adopted policy of regular up gradation of its production process and installation of innovated equipments.

#### Risk Management

The Company has sound Risk Management and Mitigation Policy with timely disclosure of status of Risk to the Board.

Besides other Risks and Concerns the major concern for our business is fluctuations in the prices of Raw Materials and entry of local small manufacturers in the Industry. The business is constantly under margin pressure with delivering the best quality products at competitive prices.

### INTERNAL CONTROL SYSTEMS:

The Company has drafted its Internal Control Systems in commensurate with the volume of business activities. The regular Internal Audit was done by Internal Auditors and also periodic Limited Review of Financials was carried out by the Statutory Auditors with special emphasis to the Internal Control Systems of the Company.

Audit Report of Statutory and Internal Auditors were reviewed by Audit Committee; also Audit Committee has reviewed with the Auditors the significant areas of concern, to the Internal Control Systems of the Company. The Board was periodically informed with the Internal Control Systems of the Company.

# ANNEXURE-II TO DIRECTORS' REPORT

## FINANCIAL HIGHLIGHTS

(₹ in lacs)

Particulars	2010-11	2009-10	2008-09	2007-08	2006-07
Total Income (Net of Duties & Levies)	15947.51	13086.22	9194.26	7248.75	5483.81
Profit Before Tax	2622.91	2253.97	1115.48	425.25	260.16
Profit After Tax	1818.91	1701.37	800.28	305.20	165.54
Equity Dividend (in %)	*45%	40%	35%	30%	30%
Dividend Payout	270.07	240.06	210.05	180.05	180.05
Equity Share Capital	600.17	600.17	600.17	600.17	600.17
Reserves & Surplus	7751.63	6241.60	4820.35	4265.83	4164.91
Net Worth	8351.80	6841.77	5420.53	4866.00	4765.08
Gross Fixed Assets	6910.60	6556.27	5893.07	5662.98	5734.90
Net Fixed Assets	3468.21	3404.24	2878.87	2948.55	3068.07
Inventory	2551.86	1992.66	1282.24	1282.15	1428.22
Debtors	1703.83	1226.88	864.19	964.15	863.14
Earning Per Share (Amt in ₹)	30.41	28.35	13.33	5.19	2.76

\* Proposed Final Dividend

### HUMAN RESOURCES AND INDUSTRIAL RELATIONS:

The employees are one of the key assets of the Company; with their endless efforts we have delivered the expected performances year after year. The Company has formulated sound policies for employee motivations and retentions. Also required training and education were given to employees at all levels with participation in seminars and exhibitions. As on 31<sup>st</sup> March, 2011 the total employee strength of the Company was 225 employees. The Industrial relations of the Company were cordial and there were no instances of employee disputes arisen during the year.

### OUTLOOK:

The Company continued its self of being one of the leading market players of Plastic Industry. We have offered a range of products for household and industrial users and have reached to sizeable segment of customers. In the years to come we will come up with more and more range of our products to satisfy the needs of the consumers. We have Expansions Plans for the same business segment to outfit the untapped regions and with this the management expects much positive and competitive outlook for our business.

### CAUTIONARY STATEMENT :

The statements made in this Management Discussion and Analysis are of the best judgment of management but the ultimate results may differ from estimates which is due to several factors like Government Policies, Economic Conditions in the Country, Demand and Supply changes, Changes in Management Policies etc which could lead to difference between the projections and actual results.

For and on behalf of the Board

27<sup>th</sup> May, 2011  
Mumbai

Ghisulal D. Rathod  
(Chairman)

# ATTACHMENTS TO DIRECTORS' REPORT

## CEO/CFO CERTIFICATION

To,  
The Board of Directors,  
**Wim Plast Limited,**  
S. No. 324/ 4 to 7, Village Kachigam,  
Nani Daman, Daman - 396210.

We hereby certify that for the financial year ending on 31<sup>st</sup> March, 2011 on the basis of the review of the financial statements and the cash flow statement and to the best of our knowledge and belief that:

- 1) These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading.
- 2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable Laws and Regulations.
- 3) There are to the best of our knowledge and belief, no transactions entered into by the Company during the financial year which are fraudulent, illegal or in violation of the Company's Code of Conduct.
- 4) We accept responsibility for establishing and maintaining Internal Controls. We have evaluated the effectiveness of the Internal Control Systems of the Company and we have disclosed to the Auditors and the Audit Committee the deficiency, if any, in the design or operation of the Internal Control Systems, of which we were aware and the steps we have taken or propose to take to rectify those deficiencies.

### We further certify that:

- 1) There have been no significant changes in Internal Control Systems during the year.
- 2) There have been no significant changes in Accounting Policies during the year.
- 3) There have been no instances of significant fraud of which we were aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's Internal Control Systems.

**27<sup>th</sup> May, 2011**  
**Mumbai**

**Pradeep G. Rathod**  
**(CEO)**

**Madhusudan Jangid**  
**(CFO)**

### DECLARATION

I, Pradeep G. Rathod, CEO of the Company do hereby declare that all the Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct of the Company.

**27<sup>th</sup> May, 2011**  
**Mumbai**

**Pradeep G. Rathod**  
**(CEO)**

### REPORT ON CORPORATE GOVERNANCE

To,  
The Members,  
**WIM PLAST LIMITED**

We have reviewed the implementation of Corporate Governance by the Company during the year ended March 31, 2011, with the relevant records and documents maintained by the Company, furnished to us for review and the Report on Corporate Governance as approved by the Board of Directors.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination is neither an Audit nor an expression of opinion on the financial statements of the Company.

On the basis of the above and according to the information and explanations given to us, in our opinion, the Company has complied in all the material respects with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with Stock Exchanges.

We further state that our examination of such compliances is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For HS Associates**  
**Company Secretaries**

**Hemant Shetye**  
**(Partner)**

**FCS - 2827**

**COP - 1483**

**27<sup>th</sup> May, 2011**  
**Mumbai**

# AUDITORS' REPORT

TO THE MEMBERS OF **WIM PLAST LTD.**

- (1) We have audited the attached Balance Sheet of **WIM PLAST LTD.,** as at 31<sup>st</sup> March, 2011 and also the Profit and Loss Account and Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
- (2) We have conducted our audit in accordance with the Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
- (3) As required by the Companies (Auditor's Report) order, 2003, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we have set out in the enclosed annexure a statement on the matters specified in the paragraph 4 and 5 of the said order.
- (4) Further to our comments in the Annexure referred to in paragraph (3) above, we report that :-
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit ;
  - (b) In our opinion, proper books of accounts, as required by law, have been kept by the Company, so far as appears from our examination of such books ;
  - (c) The Balance Sheet, Profit and Loss Account and Cash Flow statement dealt with by this report are in agreement with the books of accounts ;
  - (d) In our opinion, the Balance Sheet , Profit and Loss Account and Cash Flow Statement dealt with by this report have been prepared in compliance with the applicable Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956, to the extent applicable ;
  - (e) According to the information and explanations given to us and on the basis of written representation received from the Directors of the Company and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on March 31, 2011 from being appointed as a Director in terms of section 274 (1) (g) of the Companies Act, 1956 ;
  - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon give the information required by the Companies Act, 1956 in the manner so required and also give a true and fair view in conformity with the accounting principles generally accepted in India :
    - i. in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2011 ;
    - ii. in the case of the Profit and Loss Account, of the profit for the year ended on that date ; and
    - iii. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**For Bharat P. Shah & Co.**  
Chartered Accountants  
Registration No. FRN 109517W

**Bharat P. Shah**  
Proprietor  
Membership No.33530

**27<sup>th</sup> May, 2011**  
**Mumbai**

# ANNEXURE TO AUDITORS' REPORT

1. In respect of its fixed assets :
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b. Fixed assets have been physically verified by the management during the year. No material discrepancies were noticed on such verification.
  - c. In our opinion, during the year the Company has not disposed off substantial part of its fixed assets and the going concern status of the Company is not affected.
2. In respect of its inventories :
  - a. As explained to us, inventories have been physically verified by the management at regular intervals during the year. In our opinion, the frequency of verification is reasonable.
  - b. In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventory followed by the management are found reasonable and adequate in relation to the size of the company and the nature of its business.
  - c. The company has maintained proper records of inventories. As explained to us there were no material discrepancies noticed on physical verification as compared to book records and the Inventories have been properly dealt with in the books of account.
3. During the year the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information explanations given to us, there are adequate internal control systems commensurate with size of the Company and nature of its business, for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit we have not observed any major weaknesses in internal controls.
5.
  - a. Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of opinion that the particulars of transactions that need to be entered into the register in pursuance of Section 301 of Companies Act, 1956 have been entered.
  - b. In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of rupees five lacs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. The Company has not accepted deposits from public.
7. The Company has an adequate internal audit system, commensurate with the size and nature of its business.
8. The Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of Companies Act, 1956.
9.
  - a. According to the information and explanation given to us and on the basis of our examination of the records of the company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income Tax, Sales Tax, Wealth Tax, Excise Duty, Service Tax, Custom Duty and other material statutory dues have generally been regularly deposited during the year by the company with the appropriate authorities.
  - b. The details of disputed statutory dues are as following :

Name of the Statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Forum where Dispute is pending
Service Tax Act - 1994	Service Tax	340,340/-	2006-07	Appellate Tribunal (Custom Excise & Service Tax)
Central Excise Act - 1944.	Excise Duty	92,356/-	2006-07	Custom Excise & Service Tax - Appeal
Bihar Finance Act, 1981	Sales Tax	10,55,757/-	2002-03 & 2003-04	Dy. Commissioner (Commercial Tax) Patna
Customs Act, 1962	Custom duty	17,74,982/-	2009-10	Asst. Commissioner of Customs (Adjudication) Mumbai

## **ANNEXURE TO AUDITORS' REPORT**

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10. The Company does not have accumulated losses, has not incurred cash losses in the financial year and in the immediately preceding financial year.
11. Based on the audit procedures and on the basis of information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to the bank. There are no dues payable to any financial institution or debenture holders.
12. In our opinion and according to the information and explanations given to us and based on the information available, no loans and advances have been granted by the Company on the basis of the security by way of pledge of shares, debentures and other securities.
13. In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provision of clause (xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the company.
14. The business of the Company is not of dealing in or trading in shares, securities, debentures, or other Investments.
15. The Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. The company has not obtained any Term Loans.
17. Funds raised on short-term basis have not been used for long-term investments.
18. The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The Company has not issued debentures during the year.
20. During the year, the Company has not raised money by way of public issue.
21. Based on the audit procedures performed by us and according to the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

**For Bharat P. Shah & Co.**

Chartered Accountants  
Registration No. FRN 109517W

**Bharat P. Shah**

Proprietor  
Membership No.33530

**27<sup>th</sup> May, 2011**  
**Mumbai**



# BALANCE SHEET

as at 31<sup>st</sup> March, 2011

Amount in ₹

	Schedule	As at 31.03.2011	As at 31.03.2010
<b>SOURCES OF FUNDS</b>			
<b>SHAREHOLDERS' FUND</b>			
Share Capital	1	60,016,800	60,016,800
Reserves & Surplus	2	775,163,037	624,160,247
		<b>835,179,837</b>	<b>684,177,047</b>
<b>DEFERRED TAX LIABILITY (NET)</b> (See Schedule - 17, Note-11)		38,786,000	41,006,000
<b>TOTAL FUNDS &amp; EMPLOYED</b>		<b>873,965,837</b>	<b>725,183,047</b>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
	<b>3</b>		
Gross Block		691,060,572	655,626,574
Less : Depreciation		344,238,815	318,817,228
<b>Net Block</b>		<b>346,821,757</b>	<b>336,809,346</b>
Capital Work in Progress		34,108,530	3,614,688
		380,930,287	340,424,034
<b>INVESTMENTS</b>	<b>4</b>	-	17,581,742
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
Inventories	5	255,186,201	199,266,417
Sundry Debtors	6	170,383,457	122,688,776
Cash & Bank Balances	7	14,097,785	24,826,186
Loans & Advances	8	148,814,627	99,921,820
		<b>588,482,070</b>	<b>446,703,199</b>
<b>LESS: CURRENT LIABILITIES AND PROVISIONS</b>			
Current Liabilities	9	54,614,959	48,797,029
Provisions	10	40,831,561	30,728,899
		<b>95,446,520</b>	<b>79,525,928</b>
<b>NET CURRENT ASSETS</b>		493,035,550	367,177,271
<b>TOTAL FUND APPLIED</b>		<b>873,965,837</b>	<b>725,183,047</b>

As per our report of even date

**For Bharat P. Shah & Co.**

Chartered Accountants  
Registration No. FRN 109517W

**Bharat P. Shah**

Proprietor  
M. No. : 33530

Mumbai : May 27, 2011

For and on behalf of the Board

**Ghisulal D. Rathod**

Chairman

**S. M. Khinvesra**

Director

Mumbai : May 27, 2011

**Pradeep G. Rathod**

Managing Director

**Kapil D. Joshi**

Company Secretary



# PROFIT & LOSS ACCOUNT

for the financial year ended 31<sup>st</sup> March, 2011

Amount in ₹

	Schedule	Year Ended 31.03.2011	Year Ended 31.03.2010
<b>INCOME</b>			
Sales & Income from Services	11	1,797,631,140	1,420,222,508
Less : Excise Duty		118,566,370	79,548,602
Less : Sales Tax & Value Added Tax		99,164,450	35,911,652
Net Sales		<b>1,579,900,320</b>	<b>1,304,762,254</b>
Other Income	12	12,851,060	2,860,445
Profit & (Loss) on Sale of Fixed Assets		1,999,997	999,749
<b>TOTAL INCOME (A)</b>		<b>1,594,751,377</b>	<b>1,308,622,448</b>
<b>EXPENDITURE</b>			
Material Cost	13	1,090,349,636	876,070,735
(Increase)/Decrease in Stock	14	(1,967,541)	(5,246,624)
Manufacturing, Selling & Other Expenses	15	198,926,987	180,818,947
Interest & Financial Charges		827,992	1,359,147
Depreciation		44,323,190	30,223,187
<b>TOTAL EXPENDITURE (B)</b>		<b>1,332,460,264</b>	<b>1,083,225,392</b>
<b>PROFIT BEFORE TAX (A-B)</b>		<b>262,291,113</b>	<b>225,397,056</b>
<b>Provision for Taxation</b>			
I) Current Tax		82,620,000	48,000,000
II) Deferred Tax		(2,220,000)	7,260,000
		<b>80,400,000</b>	<b>55,260,000</b>
<b>PROFIT AFTER TAX</b>		<b>181,891,113</b>	<b>170,137,056</b>
<b>Provision for Taxation of Earlier Years</b>		604,855	(18,490)
<b>PROFIT FOR THE YEAR</b>		<b>182,495,968</b>	<b>170,118,566</b>
Balance brought forward from Previous Year		390,557,279	265,532,649
<b>PROFIT AVAILABLE FOR APPROPRIATIONS</b>		<b>573,053,247</b>	<b>435,651,215</b>
<b>APPROPRIATIONS</b>			
Proposed Dividend		27,007,560	24,006,720
Provision for Dividend Tax		4,485,618	3,987,216
Transfer to General Reserve		18,300,000	17,100,000
Surplus carried to Balance Sheet		523,260,069	390,557,279
		<b>573,053,247</b>	<b>435,651,215</b>
Significant Accounting Policies	16		
Notes to Accounts	17		
Basic/Diluted Earning Per Share of ₹ 10/- each. (See Schedule 17 Note 12)		30.41	28.35

As per our report of even date

**For Bharat P. Shah & Co.**

Chartered Accountants  
Registration No. FRN 109517W

**Bharat P. Shah**

Proprietor  
M. No. : 33530

Mumbai : May 27, 2011

For and on behalf of the Board

**Ghisulal D. Rathod**

Chairman

**S. M. Khinvesra**

Director

Mumbai : May 27, 2011

**Pradeep G. Rathod**

Managing Director

**Kapil D. Joshi**

Company Secretary

# CASH FLOW STATEMENT

for the financial year ended 31<sup>st</sup> March, 2011

	31-03-2011		31-03-2010	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Net Profit Before tax</b>		262,291,113		225,397,056
Adjustment for				
Depreciation	44,323,190		30,223,187	
Other Income	(12,851,060)		(2,860,445)	
Interest & other Financial Charges	827,992		1,359,147	
(Profit) & Loss on sale of fixed assets	(1,999,997)	30,300,125	(999,749)	27,722,140
<b>Operating profit before working capital changes</b>		<b>292,591,238</b>		<b>253,119,196</b>
Adjustments for :				
Increase in trade & other receivables	(47,694,679)		(36,268,850)	
Increase in Inventories	(55,919,783)		(71,042,409)	
Increase in Loans & Advances	(49,956,507)		(2,858,599)	
Increase in trade payable & Others	6,001,436	(147,569,533)	6,273,994	(103,895,864)
<b>Cash generated from operations</b>		<b>145,021,705</b>		<b>149,223,332</b>
Tax Paid (Net)		(74,531,532)		(48,018,490)
Interest & other Financial Charges		(827,992)		(1,359,147)
<b>Net cash from operating activities (A)</b>		<b>69,662,181</b>		<b>99,845,695</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of fixed assets	(84,954,448)		(84,129,777)	
Proceeds from Investments	17,581,742		12,610,923	
Other Income received	12,851,060		2,860,445	
Proceeds from Sale of fixed assets	2,125,000		2,369,500	
<b>Net cash flow in investing Activities (B)</b>		<b>(52,396,646)</b>		<b>(66,288,909)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Dividend Paid	(24,006,720)		(21,005,880)	
Dividend Tax Paid	(3,987,216)		(3,569,950)	
<b>Net cash flow in Financing Activities (C)</b>		<b>(27,993,936)</b>		<b>(24,575,830)</b>
<b>Net Increase/(Decrease) in cash and cash equivalents (A+B+C)</b>		<b>(10,728,401)</b>		<b>8,980,956</b>
Opening cash and cash equivalents		24,826,186		15,845,230
Closing cash and cash equivalents		14,097,785		24,826,186

As per our report of even date

**For Bharat P. Shah & Co.**  
Chartered Accountants  
Registration No. FRN 109517W

**Bharat P. Shah**  
Proprietor  
M. No. : 33530

Mumbai : May 27, 2011

For and on behalf of the Board

**Ghisulal D. Rathod**  
Chairman

**S. M. Khinvesra**  
Director

Mumbai : May 27, 2011

**Pradeep G. Rathod**  
Managing Director

**Kapil D. Joshi**  
Company Secretary

## SCHEDULES

Forming part of the accounts for the financial year 2010-11

Amount in ₹  
As at

### SCHEDULE - 1

#### SHARE CAPITAL

##### Authorised

7,000,000 Equity Shares of ₹10/- Each  
(Previous Year 7,000,000 Equity Share of ₹10/- each)

As at  
31.03.2011

As at  
31.03.2010

70,000,000

70,000,000

**70,000,000**

**70,000,000**

##### Issued, Subscribed & Paid Up

6,001,680 Equity Shares of ₹10/- each fully paid up

60,016,800

60,016,800

**60,016,800**

**60,016,800**

### SCHEDULE - 2

#### RESERVES & SURPLUS

Capital Reserve

81,528

81,528

Securities Premium Account

60,040,800

60,040,800

##### General Reserve

Balance Brought Forward from previous year

173,480,640

156,380,640

Add : Transfer from Profit & Loss Account

18,300,000

17,100,000

**191,780,640**

**173,480,640**

##### Profit & Loss Account

523,260,069

390,557,279

**775,163,037**

**624,160,247**

### Schedule - 3

#### FIXED ASSETS

(Amount in ₹)

Description of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.2010	Additions / Adjustments	Deductions / Adjustments	As on 31.03.2011	Up to 01.04.2010	Depreciation for the Year	Deductions / Adjustments	Total Depreciation	Wdv 31.03.2011	Wdv 31.03.2010
Freehold Land	6,743,070	-	-	6,743,070	-	-	-	-	6,743,070	6,743,070
Leasehold Land	-	5,442,775	-	5,442,775	-	-	-	-	5,442,775	-
Buildings	62,321,492	15,162,671	-	77,484,163	13,063,129	2,043,425	-	15,106,554	62,377,609	49,258,363
Plant & Machinery	321,487,056	17,438,700	-	338,925,756	99,286,472	28,656,905	-	127,943,377	210,982,379	222,200,584
Furniture & Fixtures	8,477,636	6,115	-	8,483,751	4,870,041	478,328	-	5,348,369	3,135,382	3,607,595
Moulds	245,952,631	13,294,455	18,661,441	240,585,645	194,709,497	12,499,450	18,661,438	188,547,509	52,038,136	51,243,134
Office Equipment	8,002,920	406,408	-	8,409,328	5,880,760	338,710	-	6,219,470	2,189,858	2,122,160
Vehicles	2,641,769	2,709,480	365,165	4,986,084	1,007,321	306,372	240,165	1,073,536	3,912,548	1,634,440
<b>Total-Current Year</b>	<b>655,626,574</b>	<b>54,460,604</b>	<b>19,026,606</b>	<b>691,060,572</b>	<b>318,817,228</b>	<b>44,323,190</b>	<b>18,901,603</b>	<b>344,238,815</b>	<b>346,821,757</b>	<b>336,809,346</b>
<b>Total-Previous Year</b>	<b>589,307,100</b>	<b>81,501,730</b>	<b>15,182,256</b>	<b>655,626,574</b>	<b>302,406,545</b>	<b>30,223,187</b>	<b>13,812,505</b>	<b>318,817,228</b>	<b>-</b>	<b>-</b>
Capital Work in Progress	-	-	-	-	-	-	-	-	34,108,530	3,614,688
<b>Grand Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>380,930,287</b>	<b>340,424,034</b>

The possession of Fixed Assets of Chennai Unit was received on 31-03-2011 and hence no Depreciation was charged on those Fixed Assets.

### SCHEDULE - 4

#### INVESTMENTS

Unquoted Investment at Net Asset Value

In Mutual Funds

SBI SHF Short Term Fund

No of Units CY-Nil (P.Y1,75,7120)

As at  
31.03.2011

As at  
31.03.2010

17,581,742

**17,581,742**

### SCHEDULE - 5

#### INVENTORIES

(As valued and certified by the Management)

i) Packing Materials & Stores Consumables

3,749,419

3,383,585

ii) Raw materials

198,392,188

144,805,779

iii) Finished Goods

53,044,594

51,077,053

**255,186,201**

**199,266,417**



## SCHEDULES

Forming part of the accounts for the financial year 2010-11

Amount in ₹

### SCHEDULE - 6

#### SUNDRY DEBTORS

(UNSECURED, CONSIDERED GOOD)

- a) Debts Outstanding for a period exceeding Six Months  
b) Other Debts

As at  
31.03.2011

As at  
31.03.2010

7,974,085  
162,409,372

13,799,180  
108,889,596

**170,383,457**

**122,688,776**

### SCHEDULE - 7

#### CASH & BANK BALANCES

Cash on hand

#### Balances with Scheduled Banks

In Current Accounts

In Deposit Accounts

Interest Accrued on Deposit



1,712,248  
4,900,314  
6,922,599  
562,624

3,441,725  
14,405,600  
6,504,696  
474,165

**14,097,785**

**24,826,186**

### SCHEDULE - 8

#### LOANS & ADVANCES

(UNSECURED, CONSIDERED GOOD)

Loans

Advances recoverable in Cash or in kind or for value to be received

Advance Tax & Tds Receivable (Net of Provision for Taxation)

60,000,000  
88,814,627  
-

10,000,000  
88,858,120  
1,063,700

**148,814,627**

**99,921,820**

### SCHEDULE - 9

#### CURRENT LIABILITIES

#### Sundry Creditors

- Due to micro, Small & Medium enterprises  
(See Schedule 17 Note 9)

- Other Creditors

Unclaimed Dividend

Other Liabilities

Advances from Customers

Trade Deposits received from Dealers



2,568,758  
16,195,431  
1,516,783  
20,451,666  
12,505,549  
1,376,772

2,688,784  
10,016,640  
1,419,044  
21,222,240  
11,821,615  
1,628,706

**54,614,959**

**48,797,029**

## SCHEDULES

Forming part of the accounts for the financial year 2010-11

Amount in ₹

	As at 31.03.2011	As at 31.03.2010
<b>SCHEDULE - 10</b>		
<b>PROVISIONS</b>		
Provision for Taxation (Net of Advance tax & Tds Receivable)	6,419,913	-
Provision for Employee Benefits	2,918,470	2,734,963
Provision for Proposed Dividend	27,007,560	24,006,720
Provision for Dividend Tax	4,485,618	3,987,216
	<b>40,831,561</b>	<b>30,728,899</b>
<b>SCHEDULE - 11</b>		
<b>INCOME</b>		
Sales (Net of Returns)	1,793,417,630	1,420,131,705
Commission on Consignment Sale (TDS ₹ 32307.00 )	302,410	-
Labour Job Charges received (TDS ₹ 74070.00 (P.Y. ₹ 395.00)	3,911,100	90,804
	<b>1,797,631,140</b>	<b>1,420,222,508</b>
<b>SCHEDULE - 12</b>		
<b>OTHER INCOME</b>		
Interest (TDS ₹ 9,13,326.00 (P.Y.2,76,861.00)	9,596,012	1,910,366
Dividend Received	2,654,093	289,079
Rent received	84,000	126,000
Mould Hire Charges (TDS ₹ 4412.00 (P.Y.41200.00)	200,000	200,000
Bad Debts W/off earlier now recovered	65,000	335,000
Profit on sales of Mutual fund Units (Net)	251,955	-
	<b>12,851,060</b>	<b>2,860,445</b>
<b>SCHEDULE - 13</b>		
<b>MATERIAL COST</b>		
Opening Stock of Raw Materials	144,805,779	78,501,530
Add : Purchase of Raw Materials (Net)	974,042,968	818,773,845
Less : Closing Stock of Raw Materials	198,392,188	144,805,779
Raw Materials Consumed	920,456,559	752,469,596
Add : Purchases for Resale	169,893,077	123,601,139
	<b>1,090,349,636</b>	<b>876,070,735</b>
<b>SCHEDULE - 14</b>		
<b>(INCREASE)/DECREASE IN STOCK</b>		
Opening Stock - Manufactured Goods	50,032,347	43,149,589
- Goods for Resale	1,044,706	2,680,840
Closing Stock - Manufactured Goods	50,994,424	50,032,347
- Goods for Resale	20,50,170	1,044,706
	<b>(1,967,541)</b>	<b>(5,246,624)</b>

## SCHEDULES

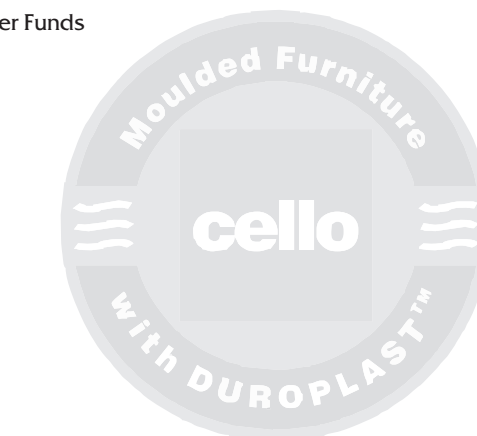
Forming part of the accounts for the financial year 2010-11

Amount in ₹

### SCHEDULE - 15

#### MANUFACTURING, SELLING & OTHER EXPENSES

	Year Ended 31.03.2011	Year Ended 31.03.2010
Stores Consumed	3,228,449	4,072,640
Packing Material Consumed	24,671,887	17,910,868
Salaries, Wages & Bonus	36,014,392	29,204,843
Company's Contribution to PF & Other Funds	1,821,232	1,609,660
Managerial Remuneration	600,000	450,000
Workmen & Staff welfare expenses	1,543,535	1,348,540
Power & Fuel	40,073,480	36,593,325
Labour job Charges	11,073,509	7,512,994
Repairs & Maintenance :		
a) Buildings	823,401	2,192,507
b) Plant & Machinery	4,216,719	4,204,983
c) Others	1,451,461	1,245,387
Rent	2,122,280	832,500
Rates & Taxes	249,357	207,552
Insurance	1,762,167	1,323,000
Keyman Insurance	1,493,422	1,493,422
Legal & Professional Charges	2,826,718	3,380,848
Auditors' Remuneration	591,760	517,307
Travelling & Conveyance	6,992,905	5,764,483
Transportation	19,818,656	9,361,256
Advertisement , Publicity & Business Promotion	5,755,622	16,926,846
Commission on Sales	6,675,046	6,157,413
Cash & Scheme Discounts	12,635,388	11,082,921
Telephone Expenses	1,131,340	1,306,229
Postage & Courier Charges	769,442	514,290
Leases Rent	3,300,000	3,300,000
Royalty	828,840	828,840
Printing & Stationery	660,469	627,523
Bad Debts Written Off.	1,424,954	8,005,226
Foreign Exchanges Fluctuation	178,183	40,059
Director's Sitting Fees	200,000	160,000
Miscellaneous Expenses	39,92,373	26,43,484
	<b>198,926,987</b>	<b>180,818,947</b>



# SCHEDULES

Forming part of the accounts for the financial year 2010-11

## SCHEDULE – 16

### SIGNIFICANT ACCOUNTING POLICIES :

#### 1. Basis of Preparation of Financial Statement

- (a) The Accounts are prepared on Historical cost convention on an accrual basis.
- (b) The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumption that affect the reported amount of assets and liabilities and disclosure regarding contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses during the year. Examples of such estimates include provision for doubtful debts and advances, obligation under employees retirement benefits and Income Tax.
- (c) The financial statement are prepared to comply in all material respect with the accounting standard notified by the Companies (Accounting standards) Rules, 2006 and provision of companies Act, 1956.

#### 2. Use of Estimates

Accounting estimate could change from period to period and actual result could defer from those estimates. Appropriate changes in estimates are made as the Management become aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

#### 3. Fixed Assets :

Fixed assets (other than "Freehold land" where No depreciation is charged) are state at cost less accumulated depreciation , cost of acquisition is inclusive of purchase price and any directly attributable cost of bringing the assets to working condition for the intended to use. Cenvat receivable , if any on plant & machinery and moulds has been reduced from the cost of acquisition of the said assets. The amount of Capital Work in Progress is valued at Cost.

#### 4. Depreciation :

Depreciation on Fixed Assets is provided on "Straight Line Method" at rates prescribed in schedule XIV to the Companies Act, 1956. Assets like mobile phones, telephone instruments etc are fully written off in the year of its purchase.

#### 5. Inventories :

- (a) Raw Material – At cost or market value, whichever is lower. The cost of Raw Material is arrived at after reducing the available cenvat, education cess, secondary education cess and value added tax .
- (b) Finished goods – At cost or net realizable value, whichever is lower. The valuation of closing stock of finished goods is in accordance with AS-2 and includes the excise duty payable & the excise duty element has been charged to the Profit and Loss Account. Trading stock is maintained at net of value added tax.
- (c) Packing Material and stores, spares & consumable – At cost or market value, whichever is lower. 'First in First out' FIFO is the formula used for determination of Inventory Cost.

#### 6. Investments :

Long-term investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

Short-term Investment is in mutual fund are stated at the the Net Asset Value of the Funds. During the F.Y. 2010-11 units worth ₹ 38,01,54,092/- (P.Y. ₹ 13,57,89,078/-) were purchased and units worth ₹ 39,79,87,790/- (P.Y. ₹ 14,84,00,000/-) were sold.

#### 7. Revenue Recognition :

Revenue is accounted for an accrual basis unless otherwise stated. Sale of products are recognized when the product are dispatched and sales are net of returns , rate difference, trade discount etc.

Other Income such as Dividend, Interest and Income from Services are recognized on accrual basis.

#### 8. Leases

Leases where the lessor effectively retains substantially all the risk and benefit of ownership of the lease term are classified as operating lease. Lease rent under operating leases are recognised in the profit and loss account on a straight-line basis.

#### 9. Sales :

Sales are net of rebates, trade discount, claims & shortages.

#### 10. Foreign Currency Transactions :

- a. Foreign Currency loans / liabilities are stated in the accounts at the end of the year based on the prevailing exchange rates.
- b. Foreign Exchange differences and charges on forward contracts are adjusted to profit and loss account.

#### 11. Employee Retirement Benefit :

##### a) Post -employment benefit plans

##### 1) Defined contribution plan

Contribution to Provident fund, Employee State Insurance Corporation and Superannuation fund are recognized as expense when employees have rendered services entitling them to contribution.

##### 2) Defined benefit Plan

Defined benefit Plans are determined by using the project unit credit method with actuarial valuation being carried out at the balance sheet date.

Actuarial gains & losses are recognized in full in the profit & loss accounts for the period in which they accrue.

##### b) Short term employment benefits

The undisclosed amount of short term employee benefit expected to be paid in exchange for the services rendered by the employee is recognized during the period when the employee renders the services. These benefits include compensated absences such as leave salary and performance incentives.

#### 12. Taxation :

- a) Provision for current tax is made and retained in the accounts on the basis of estimated tax liability as per the applicable provisions of the Income Tax, 1961.
- b) Deferred tax Asset / liability is calculated by applying the applicable tax rate as at balance sheet date. Deferred tax adjustment on account of timing difference are recognized only to the extent there is reasonable certainty of realization. At each balance sheet date, carrying amount of deferred tax assets / liability is reviewed and necessary adjustment to asset / liability is made.

#### 13. Borrowing Cost :

Borrowing Cost attributable to the acquisition of qualifying fixed assets is capitalized as part of the cost of such assets till such assets are put to use. All other borrowing costs are charged to Profit and Loss account.

#### 14. Impairment of Assets:

The carrying amounts of assets are reviewed at balance sheet date. If there is any indication of impairment based on internal & external factors i.e. when the carrying amount of assets exceeds the recoverable amount, an impairment loss is charged to the profit & Loss account in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting period is reversed or reduced if there has been a favourable change in the estimate of the recoverable amount.

#### 15. Provisions, Contingent Liabilities and Contingent Assets :

A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation. Contingent Liabilities, if material, are disclosed by way of notes to accounts. Contingent Assets are not recognized or disclosed in the financial statements.

# SCHEDULES

Forming part of the accounts for the financial year 2010-11

## SCHEDULE 17

### NOTES TO ACCOUNTS

	2010-11		2009-10			
				(₹ in Lacs)		
<b>1) CONTINGENT LIABILITIES :</b>						
[a] Outstanding letters of credit	30.41		56.31			
[b] Guarantees issued by Company's Bankers	148.08		162.75			
[c] Contingent liability in respect of :						
1) Excise Duty	0.92		0.92			
2) Service Tax	3.40		3.40			
3) Sales Tax	10.56		-			
4) Custom Duty	17.75		-			
[d] Import Duty Obligation under EPGC Scheme	418.66	629.78	418.66	642.04		
<b>2) Estimated amount of capital contracts remaining to be executed on capital account and not provided (Net of Advances ₹ 341.09 Lacs (Pr. Yr ₹ 36.15 Lacs ))</b>		588.09		29.67		
<b>3) Auditors' remuneration</b>						
Audit Fees		3.20		2.80		
Tax Audit Fees		1.05		0.90		
Other Matters		1.12		0.99		
Service Tax		0.55		0.48		
		5.92		5.17		
<b>4) Computation of Net Profit in accordance with Section 349 &amp; 198 of Companies Act, 1956</b>						
<b>Net Profit Before Tax as per Profit &amp; Loss Account</b>		<b>2,622.91</b>		<b>2,253.97</b>		
<b>Add :</b>						
a) Depreciation as per P & L A/c	443.23		302.23			
b) Loss on Foreign Fluctuation	1.78		0.40			
c) Managerial Remuneration	6.00	451.01	4.50	307.13		
		3073.92		2561.10		
<b>Less :</b>						
a) Depreciation as per Section 350 of Companies Act, 1956	443.23		302.23			
b) Profit on sale of Mutual Fund Units (Net)	2.15	445.38	-	302.23		
<b>Net Profit as per Section 198 (Read with Section 349) of the Companies Act, 1956</b>		<b>2,628.54</b>		<b>2,258.87</b>		
Maximum remuneration permissible (i.e. 5%)		131.43		112.94		
Remuneration paid or payable to Managing Director (Excluding company's contribution to Gratuity Fund)		6.00		4.50		
<b>5) Particulars in respect of goods manufactured and installed capacity:</b>						
<b>a) Licensed, Installed and Production Capacity</b>						
Particulars	Licensed Tonnes	Installed Tonnes	Production Tonnes	Installed Tonnes	Production Tonnes	
(As Certified by the Management)						
Plastic Moulded and Extruded articles	(N.A.)	21,440	14,481	21,440	13,461	
<b>Note:</b>						
Production includes articles produced on the job work basis by third parties 471.70 MT. (P.Y 422.00 MT.)						
Production included articles produced by the company on job basis 128.86 MT. (P.Y.8.02 MT.)						
<b>b) Opening Stock, Sales and Closing Stock</b>						
<b>Items</b>	<b>Opening Stock</b>		<b>Sales</b>		<b>Closing Stock</b>	
	<b>Qty in Pcs</b>	<b>Amount ₹ In Lacs</b>	<b>Qty in Pcs</b>	<b>Amount ₹ In Lacs</b>	<b>Qty in Pcs</b>	<b>Amount ₹ In Lacs</b>
<b>Manufacturing Details</b>						
Plastic Moulded and Extruded articles	387,447 (618,924)	500.32 (431.50)	8,204,590 (8,289,790)	15,759.71 (12,286.36)	309,885 (387,447)	509.94 (500.32)
<b>Trading Details</b>						
Plastic Moulded and Extruded articles	5,995 (16,778)	10.45 (26.81)	540,207 (671,928)	1,224.28 (1,682.21)	10,016 (5,995)	20.50 (10.45)
Polymers & Others	- -	- -	- -	950.18 (232.74)	- -	- -

Note : Previous year figures are indicated in brackets.



## SCHEDULES

Forming part of the accounts for the financial year 2010-11

### c) Raw Material Consumed

	2010-11		2009-10	
	Qty In Tonnes	₹ in Lacs	Qty In Tonnes	₹ in Lacs
Polypropelene	14,481.10	9,069.81	13,460.80	7,492.67
Others	-	134.76	-	32.03
	<b>14,481.10</b>	<b>9,204.57</b>	<b>13,460.80</b>	<b>7,524.70</b>

### d) Purchase of Resale Goods

	2010-11		2009-10	
	Qty. in Pcs.	₹ in Lacs	Qty. in Pcs.	₹ in Lacs
Plastic Moulded and Extruded articles	544,228	938.73	661,145	1,070.39
Polymers & Others	-	760.20	-	165.62
	<b>544,228</b>	<b>1,698.93</b>	<b>661,145</b>	<b>1,236.01</b>

### 6) Value of imported and indigenous Raw Material Consumed

	2010-11		2009-10	
	Value ₹ In Lacs	% of total Consumption	Value ₹ In Lacs	% of total Consumption
Indigenous	7,891.69	85.74	6,153.74	81.78
Imported	1,312.88	14.26	1,370.96	18.22
	<b>9,204.57</b>	<b>100.00</b>	<b>7,524.70</b>	<b>100.00</b>

### 7) C.I.F. Value of Imports

	2010-11 (₹ in Lacs)	2009-10 (₹ in Lacs)
Capital Goods	110.27	182.19
Raw Material	682.53	1,379.23
	<b>792.80</b>	<b>1,561.42</b>

### 8) Expenditure in Foreign Currency

	2010-11 (₹ in Lacs)	2009-10 (₹ in Lacs)
Travelling	4.31	3.21
Advance for Raw Material	1.79	-
Advance for Capital Assets	141.55	-
	<b>147.65</b>	<b>3.21</b>

Expenses were remitted in US\$ Currency

### 9) Amount due to Micro & Small Enterprises

As per the information available there are no outstanding dues payable to Micro, small and Medium Enterprises for more than 45 days as defined under the Micro, Small and Medium Enterprises Development Act, 2006.

(₹ in Lacs)

Particulars	2010-11		2009-2010	
	Principal Amount	Interest Amount	Principal Amount	Interest Amount
a) Unpaid Principal & interest thereon.	25.68	Nil	26.89	Nil
b) Delayed payment due.	Nil	Nil	Nil	Nil
c) Interest paid on delayed payment during the year	Nil	Nil	Nil	Nil
d) Interest due on principal amounts paid beyond the due date during the year	Nil	Nil	Nil	Nil
e) Interest accrued but not due	Nil	Nil	Nil	Nil
f) Total interest due but not paid	Nil	Nil	Nil	Nil

### 10) Disclosure of Operating lease

The Company has availed Operating Lease for its Factory Unit and Depots. These Leases are renewable on periodic basis, and cancellable at its option. The Company has not entered into sublease agreements in respect of these Leases. Rental Expenses for Operating Lease charged to Profit & Loss Account for the financial year is ₹ 54,22,280/- (previous year ₹ 41,32,500/-)

#### Annual Commitment under operating Lease are :

	2010-11 ₹ in Lacs	2009-10 ₹ in Lacs
With in than 1 Year	33.57	33.00
More than 1 Year but Less than 5 Years	35.27	66.00
More than 5 Years	51.59	-
	<b>120.43</b>	<b>99.00</b>

# SCHEDULES

Forming part of the accounts for the financial year 2010-11

	2010-11		(₹ In Lacs)	
	Deferred Tax Liabilities	Deferred Tax Assets	Deferred Tax Liabilities	Deferred Tax Assets
				2009-10
<b>11) Deferred tax</b>				
<b>a) The break up of Net Deferred Asset / Liabilities as on 31<sup>st</sup> March, 2011</b>				
Difference between Books & Tax Depreciation	403.07		424.19	-
Other Misc. Items	15.21		-	14.13
<b>Total</b>	<b>403.07</b>	<b>15.21</b>	<b>424.19</b>	<b>14.13</b>
Net Deferred Tax Liabilities	<b>387.86</b>		<b>410.06</b>	
<b>b) Summary of Deferred Tax Liabilities</b>				
Opening Deferred Tax Liabilities	(410.06)		(337.46)	
Add / (Less) : Deferred Tax Utilised / Created	(22.20)		72.60	
Closing Deferred Tax liabilities	<b>(387.86)</b>		<b>(410.06)</b>	
<b>12) Earning per Share</b>		<b>2010-11</b>		<b>2009-2010</b>
		<b>(₹ in Lacs)</b>		<b>(₹ in Lacs)</b>
(a) Net profit after tax available for equity shareholders (₹/lacs)		1,824.95		1,701.19
(b) No of Shares		6001680		6001680
(c) Basic/Diluted Earning per Share (₹)		30.41		28.35
<b>13) Disclosure pursuant to Accounting standard - 15 "Employee Benefit" :</b>				
<b>1 Defined Contribution Plans</b>		<b>2010-11</b>		<b>2009-10</b>
		<b>(₹ in Lacs)</b>		<b>(₹ in Lacs)</b>
During the year, the company has recognised the following amounts in the profit & loss accounts				
<b>Sr. No Particulars</b>				
1 Employers' Contribution to Provident Fund		12.56		11.36
2 Employers' Contribution to Superannuation Fund		0.24		0.24
3 Employers' Contribution to Employees State Insurance Corporation		1.62		1.12
<b>Total</b>		<b>14.42</b>		<b>12.72</b>
<b>2 Defined Benefit Plans</b>				
<b>1 Change in Present Value of Obligation</b>				
a) Opening Present Value of Obligation		27.15		20.05
b) Interest Cost		2.14		1.40
c) Current Service Cost		5.35		5.94
d) Past Service Cost		4.86		-
e) Benefits Paid		(0.92)		-
f) Actuarial (Gain) / Loss		(7.20)		(0.24)
<b>Closing Present Value of Obligation</b>		<b>31.38</b>		<b>27.15</b>
<b>2 Changes in The Fair value of Plan Assets</b>				
a) Opening Present Value of Assets		17.90		13.76
b) Expected Return on Plan Assets		1.80		1.27
c) Actuarial (Gain)/Loss		(0.18)		(0.03)
d) Contributions		3.07		2.90
e) Benefits Paid		(0.38)		-
<b>Closing Fair Value of Plan Assets</b>		<b>22.21</b>		<b>17.90</b>
<b>3 Reconciliation of Present Value of Defined Benefit Obligation and Fair Value of Assets</b>				
a) Present Value of Obligation as at the end of the year		31.38		27.15
b) Fair Value of Assets as at the end of the year		(22.21)		(17.90)
<b>Unfunded Liability Recognised in Balance Sheet</b>		<b>9.17</b>		<b>9.25</b>
<b>4 Expenses recognised in Profit and Loss account</b>				
a) Current Service Cost		5.34		5.94
b) Interest Cost		2.13		1.40
c) Expected Return on Plan Assets		(1.80)		(1.27)
d) Net Actuarial gain & Loss Recognised		(7.02)		(0.21)
e) Past Service Cost		4.86		(3.14)
<b>Total expenses recognised in the Profit and Loss Account</b>		<b>3.51</b>		<b>2.72</b>

## SCHEDULES

Forming part of the accounts for the financial year 2010-11

Sr. No	Particulars	2010-11 (₹ in Lacs)	2009-10 (₹ in Lacs)
5	<b>Actual Return on Plan Assets</b>		
	a) Expected Return on Plan Assets	1.80	1.27
	b) Acturial (Gain)/Loss on plan Assets	(0.18)	(0.03)
		<u>1.62</u>	<u>1.24</u>
6	<b>Movement in Net Liability recognised in the Balance Sheet</b>		
	a) Opening Net Liability	9.25	9.43
	b) Expenses	3.52	2.72
	c) Contribution	(3.60)	(2.90)
	d) Closing Net Liability	<u>9.17</u>	<u>9.25</u>
7	<b>Acturial Assumption</b>		
	a) Discount Rate (per annum)	8%	8%
	b) Expected Rate of Return on Assets (per annum)	9%	9%
	c) Future Salary Increase	8%	8%
	d) Mortality Rate	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate
	e) Disability	Nil	Nil
	f) Attrition	1%	1%
	g) Retirement	58 Yrs	58 Yrs

### 14] Related Party Disclosures (As identified by the Management)

#### (A) Particulars of Associate Entities

Sr. No.	Name of the Party	Nature of Relationship	Sr. No.	Name of the Party	Nature of Relationship
1	Cello Writing Inst & Cont. Pvt. Ltd.	Associated Company	24	Drexel Pharma Pvt. Ltd.	do
2	Cello Household Appliances Pvt. Ltd.	do	25	Ferromatik Milacron India Pvt. Ltd.	do
3	Cello Pens And Stationery Pvt. Ltd.	do	26	Cello Plast	Associated Concern
4	Cello Pens Pvt. Ltd.	do	27	Cello Plastotech	do
5	Cello International Pvt. Ltd.	do	28	Cello Heights	do
6	Sunkist Moulders Pvt. Ltd.	do	29	Cello Industries	do
7	Health And Beauty Care Pvt. Ltd.	do	30	Cello Sales & Marketing	do
8	Cello Plastic Products Pvt. Ltd.	do	31	Cello World	do
9	Cello Stationery Products Pvt. Ltd.	do	32	Cello Home Products	do
10	Cello Tips And Pens Pvt. Ltd.	do	33	Cello Houseware	do
11	Pentek Pen And Stationery Pvt. Ltd.	do	34	Cello Oral Hygiene Products	do
12	Cello Infrastructure Ltd.	do	35	Cello Plastic Industrial Works	do
13	Cello Writing Aids Pvt. Ltd.	do	36	Cello Paper Products	do
14	Cello Sales & Marketing Pvt. Ltd.	do	37	Prmine Health Care Products	do
15	R & T Houseware Pvt. Ltd.	do	38	Ghisulal D. Rathod	Key Management Personnel
16	Cello Sales & Marketing Pvt. Ltd.	do	39	Pradeep G. Rathod	Key Management Personnel
17	Mulisha Chemical Works Pvt. Ltd.	do	40	Pankaj G. Rathod	Key Management Personnel
18	Mgee Marketing Services Pvt. Ltd.	do	41	Gaurav P. Rathod	Relative of KMP
19	Puroma Pvt. Ltd.	do	42	Pampuben G. Rathod	do
20	Mul Health Care Products Pvt. Ltd.	do	43	Sangeeta P. Rathod	do
21	Mul Dentpro Pvt. Ltd.	do	44	Babita P. Rathod	do
22	Valley View Farms & Estate Pvt. Ltd.	do	45	Karishma P. Rathod	do
23	Cute Personal Products Pvt. Ltd.	do	46	Sneha P. Rathod	do

The above disclosures has been made, inter alia, for the purpose of consideration of Group for transfer of shares under Regulation 3(1) (e) of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997.

#### (B) Transactions with Associate Companies/Concerns

	(₹ in Lacs)
1 Purchase of Goods	68.90
2 Sale of Goods	288.08
3 Reimbursement of expenses	5.27
4 Labour Job Charges Paid	59.57
5 Outstanding balance included in Current Liabilities	2.55
6 Lease Rent paid (Gross)	36.40
7 Royalty paid (Gross)	8.82
8 Rent Received	0.84
9 Managerial Remuneration	6.00
10 Commission received on Consignment Sale	3.02

#### 15) Segment Reporting

The company deals in one segment i.e. Plastic moulded and extruded articles.

#### 16) The previous year's figures have been regrouped, rearranged and recasted wherever necessary.

As per our report of even date

**For Bharat P. Shah & Co.**  
Chartered Accountants  
Registration No. FRN 109517W

**Bharat P. Shah**  
Proprietor  
M. No. : 33530

Mumbai : May 27, 2011

For and on behalf of the Board

**Ghisulal D. Rathod**  
Chairman

**S. M. Khinvesra**  
Director

Mumbai : May 27, 2011

**Pradeep G. Rathod**  
Managing Director

**Kapil D. Joshi**  
Company Secretary

# BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL PROFILE

Forming part of the accounts for the financial year 2010-11

(Amount in ₹)

<b>I Registration Details :</b>	Registration No.	State Code
Registration No.	01544	56
Balance Sheet Date	31/03/2011	
<b>II Capital raised during the year :</b>	Public Issue	Right Issue
	Nil	Nil
	Bonus Issue	Private Placement
	Nil	Nil
<b>III Position of Mobilisation and Development of Funds :</b>		
<b>Sources of Funds</b>	Total Liabilities	Total Assets
	969,412,357	969,412,357
	Paid up Capital	Reserve & Surplus
	60,016,800	775,163,037
	Secured Loans	Unsecured Loans
	Nil	Nil
<b>Application of Funds</b>	Net Fixed Assets	Investment
	380,930,287	Nil
	Net Current Assets	Miscellaneous Exp.
	493,035,550	Nil
	Accumulated Losses	
	Nil	
<b>IV Performance of Company</b>	Turnover	Total Expenditure
	1,797,631,140	1,332,460,264
	Profit / Loss before Tax	Profit / Loss after Tax
	262,291,113	181,891,113
	Earning per Share in Rs.	*Dividend rate %
	30.41	45%

\* Proposed Dividend

**V Generic Names of Three Principal Products of the Company :**

Item Code No. (ITC Code)	Product Description
9401	Plastic Moulded Chairs
9403	Other Plastic Furniture and parts thereof like Stool, Tables etc.
9099	Bubbled Guard Sheet

As per our report of even date

**For Bharat P. Shah & Co.**  
Chartered Accountants  
Registration No. FRN 109517W

**Bharat P. Shah**  
Proprietor  
M. No. : 33530

Mumbai : May 27, 2011

For and on behalf of the Board

**Ghisulal D. Rathod**  
Chairman

**S. M. Khinvesra**  
Director

Mumbai : May 27, 2011

**Pradeep G. Rathod**  
Managing Director

**Kapil D. Joshi**  
Company Secretary

## WIM PLAST LIMITED

Regd Office : S. No. 324/4 to 7, Swami Narayan Gurukul Road, Village Kachigam, Nani Daman, Daman - 396 210.

### PROXY FORM

Reg. Folio No. /Demat Account No. & DP ID : \_\_\_\_\_

I / We \_\_\_\_\_

of \_\_\_\_\_ in the district of \_\_\_\_\_ being a member/  
members of the above named Company hereby appoint \_\_\_\_\_ of \_\_\_\_\_ in the  
district of \_\_\_\_\_ as my / our proxy to vote for me / us on my / our behalf at the TWENTY THIRD ANNUAL GENERAL  
MEETING of the Company to be held on Saturday, 20<sup>th</sup> August, 2011 at 12.30 pm at Regd. Office, S.No. 324 / 4 to 7,  
Swaminarayan Gurukul Road, Village Kachigam, Nani Daman, Daman – 396210. and at any adjournment(s) thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2011

Affix  
stamp  
of Rs.  
1/-

Signature \_\_\_\_\_

Note : This form in order to be effective should be duly stamped, completed and signed and must be deposited at the  
Registered Office of the Company , not less than 48 hours before the Meeting.



## WIM PLAST LIMITED

Regd Office : S. No. 324/4 to 7, Swami Narayan Gurukul Road, Village Kachigam, Nani Daman, Daman - 396 210.

### ATTENDANCE SLIP

Reg. Folio No. /Demat Account No. & DP ID : \_\_\_\_\_

I certify that I am a member / proxy for the member of the Company.

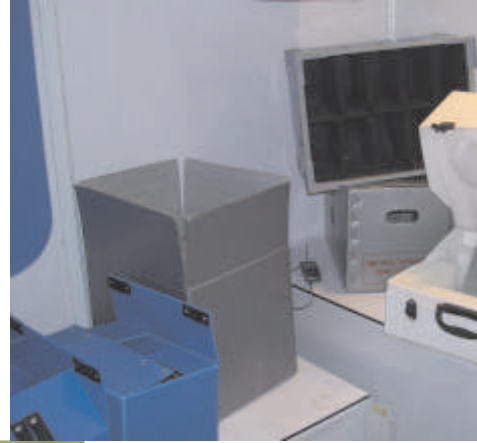
I hereby record my presence at the TWENTY THIRD ANNUAL GENERAL MEETING of the Company on Saturday, 20<sup>th</sup> August, 2011  
at 12.30 pm at Regd. Office, S.No. 324 / 4 to 7, Swaminarayan Gurukul Road, Village Kachigam, Nani Daman, Daman – 396210.

\_\_\_\_\_  
Member's / Proxy's name in Block Letters

\_\_\_\_\_  
Member's / Proxy's Signature

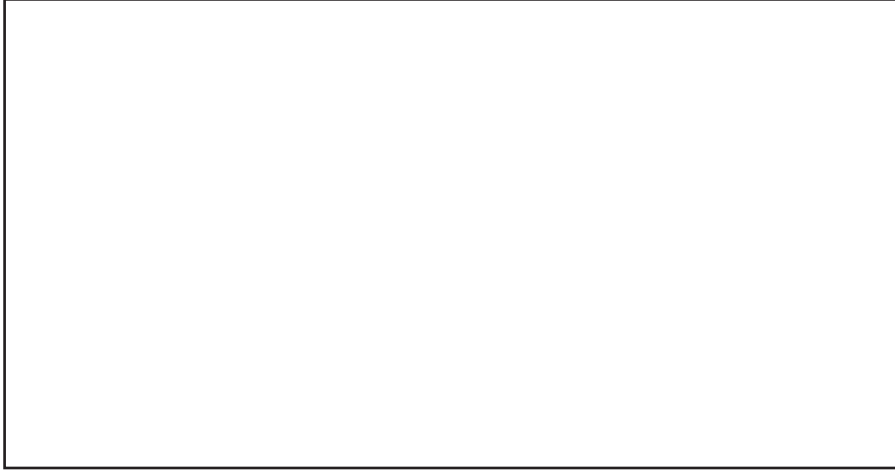
**Note : Please fill up this attendance slip and hand it over at the entrance of the Meeting hall.**





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